

William Gerig, of Arkansas, for appointment as a member of the Mississippi River Commission, as provided for by law, vice Charles H. West, deceased; and

Albert L. Culbertson, of Illinois, for appointment as a member of the Mississippi River Commission, as provided for by law, vice Lawrence A. Glenn, resigned.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

DEPARTMENT OF AGRICULTURE

The legislative clerk read the nomination of Milburn L. Wilson, of Montana, to be Assistant Secretary of Agriculture.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Frederick V. Follmer to be United States attorney, middle district of Pennsylvania.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ben J. McKinney to be United States marshal, district of Arizona.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE TREASURY

The legislative clerk read the nomination of James R. Landy to be collector of internal revenue, district of Minnesota.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, it is so ordered, and the nominations are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask unanimous consent that the Army nominations on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, it is so ordered, and the nominations are confirmed en bloc.

COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. SHEPPARD. I ask unanimous consent that the Coast Guard nominations on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, it is so ordered, and the nominations are confirmed en bloc.

Mr. SHEPPARD. I ask unanimous consent that the President be notified of the confirmation of the nominations in the Coast Guard, because it is necessary that the work of preparing the diplomas be begun immediately, so that the young men may have them when they graduate on next Monday.

The VICE PRESIDENT. Without objection, it is so ordered, and the President will be notified.

RECESS

Mr. BYRNES. Pursuant to the unanimous-consent agreement, I move that the Senate take a recess until 10 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 32 minutes p. m.) the Senate, under the order previously entered, took a recess until tomorrow, Thursday, May 23, 1935, at 10 a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 22 (legislative day of May 13), 1935

ASSISTANT SECRETARY OF AGRICULTURE

Milburn L. Wilson to be Assistant Secretary of Agriculture.

UNITED STATES ATTORNEY

Frederick V. Follmer to be United States attorney, middle district of Pennsylvania.

UNITED STATES MARSHAL

Ben J. McKinney to be United States marshal, district of Arizona.

COLLECTOR OF INTERNAL REVENUE

James R. Landy to be collector of internal revenue, district of Minnesota.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY

First Lt. Roy Madison Foster to Quartermaster Corps.
First Lt. Leslie Alfred Skinner to Ordnance Department.
Second Lt. Ephraim Melmoth Hampton, to Chemical Warfare Service.

APPOINTMENTS IN THE COAST GUARD

TO BE ENSIGNS

Richard Baxter	Glenn Leslie Rollins
Loren Edward Brunner	Bernard Edward Scalan
Ernest Anthony Cascini	Joseph Riddick Scullion
Charles Ernest Columbus	Gilbert Fay Schumacher
William Joseph Conley, Jr.	Robert Frederick Shunk
Ralph David Dean	William Louis Sutter
Gilbert Russell Evans	Charles Tighe
Wallace Leroy Hancock, Jr.	Woodrow Wilson Vennel
Frank Vincent Helmer	Oscar Dillwyn Weed, Jr.
William Joshua Lawrence	Donald William Weller
Richard Lippincott Mellen	Adrian Francis Werner
John Montrello	Fred Laurence Westbrook
Clayton Magnus Opp	Justus Perkins White

TO BE TEMPORARY ENSIGNS

Theodore Francis Knoll	Fred Furst Nichols
Frank Murray McCabe	Walker Howell Rayburn
Nelson Calhoun McCormick	

POSTMASTERS

NORTH CAROLINA

Mary B. Tatham, Andrews.

OKLAHOMA

Claude L. Willis, Canton.
Isaac J. Loewen, Clinton.
Christopher C. Copeland, Cordell.
Tom R. Johnson, Elk City.
Charles V. Gilmore, Stuart.
Robert D. Taylor, Webb City.

PENNSYLVANIA

Albert W. Fritz, Akron.
Mabel G. Collins, Austin.
George R. Meek, Bellefonte.
Donald B. Gardner, Howard.
Virginia G. Kingsley, Pleasantville.
Floyd E. Bashore, Port Royal.
Charles P. Hilty, Saltsburg.
Floyd M. Butz, Tatamy.
John W. Doyle, Waymart.
Thomas M. Hayden, Jr., West Sunbury.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 22, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Unto Thee, O Lord, do we ascribe glory and honor, dominion and power, both now and forever. We wait to be guided by Thy presence, which invites the responsive melody of all hearts. We rejoice that the lights in Thy house are still kindled and shining upon the hilltops of life. In Thee we have a refuge, and not in our goodness nor attainments. Let everything that is selfish, proud, and impure be taken away from us. Give us a growing conviction of fairness and love for human life, however humble. As ours is a sacred ministry, pave the way and make the path plain.

With enthusiasm enable us to give ourselves wholly to Thee and to the truth. Direct us to do the things that love, justice, and patriotism inspire. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 22. Concurrent resolution relative to the meeting of both Houses in the Hall of the House of Representatives on Wednesday, May 22, 1935, to receive such communications as the President shall be pleased to make to them.

The message also announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6723. An act to authorize the incorporated town of Valdez, Alaska, to construct a public-school building, and for such purpose to issue bonds in any sum not exceeding \$30,000; and to authorize said town to accept grants of money to aid it in financing any public works.

The message also announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 6954. An act to authorize the transfer of the Green Lake Fish Cultural Station in Hancock County, Maine, as an addition to Acadia National Park.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6021) entitled "An act to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes."

RECESS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that the House stand in recess subject to the call of the Speaker.

The SPEAKER. The gentleman from Colorado asks unanimous consent that the House stand in recess subject to the call of the Speaker.

Mr. RICH. Reserving the right to object—

Mr. O'CONNOR. Mr. Speaker, I demand the regular order.

Mr. RICH. I object.

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House take a recess subject to the call of the Chair.

Mr. SNELL. Mr. Speaker, that motion is not in order—

The SPEAKER. Does the gentleman make the point of order?

Mr. SNELL. Mr. Speaker, it is not my purpose to interfere with the program today, but I want to suggest that the motion is not in order. However, I shall not insist on the Speaker's ruling on that point at this time.

The SPEAKER. The question is on the motion of the gentleman from Colorado that the House stand in recess subject to the call of the Speaker.

The question was taken; and the Speaker announced that the ayes had it.

Accordingly (at 12 o'clock and 5 minutes p. m.) the House stood in recess subject to the call of the Speaker.

AFTER RECESS

The recess having expired, the House (at 12 o'clock and 20 minutes p. m.) resumed its session.

JOINT MEETING OF THE HOUSE AND SENATE

At 12 o'clock and 21 minutes p. m. the Doorkeeper, Mr. Joseph J. Sinnott, announced the Vice President of the United States and the Members of the United States Senate.

The Members of the House rose.

The Senate, preceded by the Vice President and by their Secretary and Sergeant at Arms, entered the Chamber.

The Vice President took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

The SPEAKER. On behalf of the House, the Chair appoints the following committee to conduct the President into the Chamber: Messrs. TAYLOR of Colorado, DOUGHTON, and SNELL.

The VICE PRESIDENT. On the part of the Senate, the Chair appoints as a like committee Senators ROBINSON, FLETCHER, and McNARY.

At 12 o'clock and 22 minutes p. m. the Doorkeeper, Mr. Joseph J. Sinnott, announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Chamber and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 27 minutes p. m. the President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House and stood at the Clerk's desk, amid prolonged applause.

The SPEAKER. Senators and Representatives of the Seventy-fourth Congress, I have the distinguished honor and privilege of presenting to you the President of the United States. [Applause.]

VETO MESSAGE OF THE PRESIDENT OF THE UNITED STATES— ADJUSTED-SERVICE CERTIFICATES (H. DOC. NO. 197)

The PRESIDENT OF THE UNITED STATES. Mr. Speaker and Members of the House of Representatives, 2 days ago a number of gentlemen from the House of Representatives called upon me and with complete propriety presented their reasons for asking me to approve the House of Representatives bill providing for the immediate payment of adjusted-service certificates. In the same spirit of courtesy I am returning this bill today to the House of Representatives. As I told the gentlemen who waited upon me, I have never doubted the good faith lying behind the reasons which have caused them and the majority of the Congress to advocate this bill. In the same spirit I come before you dispassionately and in good faith to give you, as simply as I can, the reasons which compel me to give it my disapproval.

And I am glad that the Senate by coming here in joint session gives me opportunity to give my reasons in person to the other House of the Congress.

As to the right and the propriety of the President in addressing the Congress in person, I am very certain that I have never in the past disagreed, and will never in the future disagree, with the Senate or the House of Representatives as to the constitutionality of the procedure. With your permission, I should like to continue from time to time to act as my own messenger.

Eighteen years ago the United States engaged in the World War. A nation of 120,000,000 people was united in the purpose of victory. The millions engaged in agriculture toiled to provide the raw materials and foodstuffs for our armies and for the nations with whom we were associated. Many other millions employed in industry labored to create the materials for the active conduct of the war on land and sea.

Out of this vast army, consisting of the whole working population of the Nation, four and three-quarter million men volunteered or were drafted into the armed forces of the United States. One-half of them remained within our American continental limits. The other half served overseas; and of these, 1,400,000 saw service in actual combat.

The people and the Government of the United States have shown a proper and generous regard for the sacrifices and patriotism of all of the four and three-quarter million men who were in uniform, no matter where they served.

At the outbreak of the war the President and the Congress sought and established an entirely new policy, however, in order to guide the granting of financial aid to soldiers and sailors. Remembering the unfortunate results that came from the lack of a veterans' policy after the Civil War, they determined that a prudent and sound principle of insurance

should supplant the uncertainties and unfairness of direct bounties. At the same time their policy encompassed the most complete care for those who had suffered disabilities in service. With respect to the grants made within the lines of this general policy, the President and the Congress have fully recognized that those who served in uniform deserved certain benefits to which other citizens of the Republic were not entitled, and in which they could not participate.

In line with these sound and fair principles many benefits have been provided for veterans.

During the war itself provision was made for Government allowances for the families and other dependents of enlisted men in service. Disability and death compensation was provided for casualties in line of duty.

The original provisions for these benefits have been subsequently changed and liberalized many times by the Congress. Later generous presumptions for veterans who became ill after the termination of the war were written into the statute to help veterans in their claims for disability. As a result of this liberal legislation for disability and for death compensation, 1,140,000 men and women have benefited.

During the war the Government started a system of voluntary insurance at peace-time rates for men and women in the service.

Generous provision has been made for hospitalization, vocational training, and rehabilitation of veterans. You are familiar with this excellent care given to the sick and disabled.

In addition to these direct benefits, Congress has given recognition to the interest and welfare of veterans in employment matters, through veteran preference in the United States Civil Service, in the selection of employees under the Public Works Administration, through the establishment of a veterans' employment unit in the Department of Labor, and through provisions favoring veterans in the selection of those employed in the Civilian Conservation Corps. Many States have likewise given special bonuses in cash and veterans' preferences in State and local public employment.

Furthermore unemployed veterans as a group have benefited more largely than any other group from the expenditure of the great public works appropriation of \$3,300,000,000 made by the Congress in 1933, and under which we are still operating. In like manner the new \$4,000,000,000 Work Relief Act seeks to give employment to practically every veteran who is receiving relief.

We may measure the benefits extended from the fact that there has been expended up to the end of the last fiscal year more than \$7,800,000,000 for these items in behalf of the veterans of the World War, not including sums spent for home or work relief. With our current annual expenditures of some \$450,000,000 and the liquidation of outstanding obligations under term insurance and the payment of the service certificates, it seems safe to predict that by the year 1945 we will have expended \$13,500,000,000. This is a sum equal to more than three-fourths of the entire cost of our participation in the World War, and 10 years from now most of the veterans of that war will be barely past the half-century mark.

Payments have been and are being made only to veterans of the World War and their dependents, and not to civilian workers who helped to win that war.

In the light of our established principles and policies let us consider the case of adjusted compensation. Soon after the close of the war a claim was made by several veterans' organizations that they should be paid some adjusted compensation for their time in uniform. After a complete and fair presentation of the whole subject, followed by full debate in the Congress of the United States, a settlement was reached in 1924.

This settlement provided for adjustment in compensation during service by an additional allowance per day for actual service rendered. Because cash payment was not to be made immediately, this basic allowance was increased by 25 percent and to this was added at compound interest for 20 years, the whole to be paid in 1945. The result of this com-

putation was that an amount two and one-half times the original grant would be paid at maturity.

Taking the average case as an example, the Government acknowledged a claim of \$400 to be due. This \$400, under the provisions of the settlement, with the addition of the 25 percent for deferred payment and the compound interest from that time until 1945, would amount to the sum of \$1,000 in 1945. The veteran was thereupon given a certificate containing an agreement by the Government to pay him this \$1,000 in 1945 or to pay it to his family if he died at any time before 1945. In effect, it was a paid-up endowment policy in the average case for \$1,000 payable in 1945, or sooner in the event of death. Under the provisions of this settlement, the total obligation of \$1,400,000,000 in 1924 produced a maturity or face value of \$3,500,000,000 in 1945.

Since 1924 the only major change in the original settlement was the act of 1931 under which veterans were authorized to borrow up to 50 percent of the face value of their certificates as of 1945. Three million veterans have already borrowed under this provision an amount which, with interest charges, totals \$1,700,000,000.

The bill before me provides for the immediate payment of the 1945 value of the certificates. It means paying \$1,600,000,000 more than the present value of the certificates. It requires an expenditure of more than \$2,200,000,000 in cash for this purpose. It directs payment to the veterans of a much larger sum than was contemplated in the 1924 settlement. It is nothing less than a complete abandonment of that settlement. It is a new straight gratuity or bounty to the amount of \$1,600,000,000. It destroys the insurance protection for the dependents of the veterans provided in the original plan. For the remaining period of 10 years they will have lost this insurance.

This proposal, I submit, violates the entire principle of veterans' benefits so carefully formulated at the time of the war, and also the entire principle of the adjusted-certificate settlement of 1924.

What are the reasons presented in this bill for this fundamental change in policy? They are set forth with care in a number of "whereas" clauses at the beginning of the bill.

The first of these states as reasons for the cash payment of these certificates at this time that it will increase the purchasing power of millions of the consuming public; that it will provide relief for many who are in need because of economic conditions; and that it will lighten the relief burden of cities, counties, and States. The second states that payment will not create any additional debt. The third states that payment now will be an effective method of spending money to hasten recovery.

These are the enacted reasons for the passage of this bill. Let me briefly analyze them.

First, the spending of this sum, it cannot be denied, would result in some expansion of retail trade. But it must be noted that retail trade has already expanded to a condition that compares favorably with conditions before the depression. However, to resort to the kind of financial practice provided in this bill would not improve the conditions necessary to expand those industries in which we have the greatest unemployment. The Treasury notes issued under the terms of this bill we know from past experience would return quickly to the banks. We know, too, that the banks have at this moment more than ample credit with which to expand the activities of business and industry generally. The ultimate effect of this bill will not in the long run justify the expectations that have been raised by those who argue for it.

The next reason in the first whereas clause is that present payment will provide relief for many who are in need because of economic conditions. The Congress has just passed an act to provide work relief for such citizens. Some veterans are on the relief rolls, though relatively not nearly as many as is the case with nonveterans. Assume, however, that such a veteran served in the United States or overseas during the war; that he came through in fine physical shape, as most of them did; that he received an honorable discharge; that he is today 38 years old and in full possession of his faculties and health; that like several million other

Americans he is receiving from his Government relief and assistance in one of many forms—I hold that that able-bodied citizen, because he wore a uniform and for no other reason, should be accorded no treatment different from that accorded to other citizens who did not wear a uniform during the World War.

The third reason given in the first whereas clause is that payment today would lighten the relief burden of municipalities. Why, I ask, should the Congress lift that burden in respect only to those who wore the uniform? Is it not better to treat every able-bodied American alike and to carry out the great relief program adopted by this Congress in a spirit of equality to all? This applies to every other unit of government throughout the Nation.

The second whereas clause, which states that the payment of certificates will not create an additional debt, raises a fundamental question of sound finance. To meet a claim of one group by this deceptively easy method of payment will raise similar demands for the payment of claims of other groups. It is easy to see the ultimate result of meeting recurring demands by the issuance of Treasury notes. It invites an ultimate reckoning in uncontrollable prices and in the destruction of the value of savings that will strike most cruelly those like the veterans who seem to be temporarily benefited. The first person injured by skyrocketing prices is the man on a fixed income. Every disabled veteran on pension or allowance is on fixed income. This bill favors the able-bodied veteran at the expense of the disabled veteran.

Wealth is not created, nor is it more equitably distributed by this method. A government, like an individual, must ultimately meet legitimate obligations out of the production of wealth by the labor of human beings applied to the resources of nature. Every country that has attempted the form of meeting its obligations which is here provided has suffered disastrous consequences.

In the majority of cases printing-press money has not been retired through taxation. Because of increased costs, caused by inflated prices, new issue has followed new issue, ending in the ultimate wiping out of the currency of the afflicted country. In a few cases, like our own in the period of the Civil War, the printing of Treasury notes to cover an emergency has fortunately not resulted in actual disaster and collapse, but has nevertheless caused this Nation untold troubles, economic and political, for a whole generation.

The statement in this same second "whereas" clause that payment will discharge and retire an acknowledged contract obligation of the Government is, I regret to say, not in accordance with the fact. It wholly omits and disregards the fact that this contract obligation is due in 1945 and not today.

If I, as an individual, owe you, an individual Member of the Congress, \$1,000 payable in 1945, it is not a correct statement for you to tell me that I owe you \$1,000 today. As a matter of practical fact, if I put \$750 into a Government savings bond today and make that bond out in your name, you will get \$1,000 on the due date, 10 years from now. My debt to you today, therefore, cannot under the remotest possibility be considered more than \$750.

The final "whereas" clause, stating that spending the money is the most effective means of hastening recovery is so ill considered that little comment is necessary. Every authorization of expenditure by the Seventy-third Congress in its session of 1933 and 1934 and every appropriation by the Seventy-fourth Congress to date for recovery purposes has been predicated not on the mere spending of money to hasten recovery, but on the sounder principle of preventing the loss of homes and farms, of saving industry from bankruptcy, of safeguarding bank deposits, and, most important of all, of giving relief and jobs through public work to individuals and families faced with starvation. These greater and broader concerns of the American people have a prior claim for our consideration at this time. They have the right of way.

There is before this Congress legislation providing old-age benefits and a greater measure of security for all workers against the hazards of unemployment. We are also meeting the pressing necessities of those who are now unemployed

and in need of immediate relief. In all of this every veteran shares.

To argue for this bill as a relief measure is to indulge in the fallacy that the welfare of the country can be generally served by extending relief on some basis other than actual deserving need.

The core of the question is that a man who is sick or under some other special disability because he was a soldier should certainly be assisted as such. But if a man is suffering from economic need because of the depression, even though he is a veteran, he must be placed on a par with all of the other victims of the depression. The veteran who is disabled owes his condition to the war. The healthy veteran who is unemployed owes his troubles to the depression. Each presents a separate and different problem. Any attempt to mingle the two problems is to confuse our efforts.

Even the veteran who is on relief will benefit only temporarily by this measure, because the payment of this sum to him will remove him from the group entitled to relief if the ordinary rules of relief agencies are followed. For him this measure would give but it would also take away. In the end he would be the loser.

The veteran who suffers from this depression can best be aided by the rehabilitation of the country as a whole. His country, with honor and gratitude, returned him at the end of the war to the citizenry from which he came. He became once more a member of the great civilian population. His interests became identified with its fortunes and also with its misfortunes.

Some years ago it was well said by the distinguished senior Senator from Idaho that—

The soldier of this country cannot be aided except as the country itself is rehabilitated. The soldier cannot come back except as the people as a whole come back. The soldier cannot prosper unless the people prosper. He has now gone back and intermingled and become a part of the citizenship of the country; he is wrapped up in its welfare or in its adversity. The handing out to him of a few dollars will not benefit him under such circumstances, whereas it will greatly injure the prospects of the country and the restoration of normal conditions.

It is generally conceded that the settlement by adjusted-compensation certificates made in 1924 was fair and it was accepted as fair by the overwhelming majority of World War veterans themselves.

I have much sympathy for the argument that some who remained at home in civilian employ enjoyed special privilege and unwarranted remuneration. That is true—bitterly true—but a recurrence of that type of war profiteering can and must be prevented in any future war.

I invite the Congress and the veterans with the great masses of the American population to join with me in progressive efforts to root a recurrence of such injustice out of American life. But we should not destroy privilege and create new privilege at the same time. Two wrongs do not make a right.

The herculean task of the United States Government today is to take care that its citizens have the necessities of life. We are seeking honestly and honorably to do this, irrespective of class or group. Rightly, we give preferential treatment to those men who were wounded, disabled, or who became ill as a result of war service. Rightly, we give care to those who subsequently have become ill. The others—and they represent the great majority—are today in the prime of life, are today in full bodily vigor. They are American citizens who should be accorded equal privileges and equal rights to enjoy life, liberty, and the pursuit of happiness—no less and no more.

It is important to make one more point. In accordance with the mandate of the Congress, our Budget has been set. The public has accepted it. On that basis this Congress has made and is making its appropriations. That Budget asked for appropriations in excess of receipts to the extent of \$4,000,000,000. The whole of that deficit was to be applied for work relief for the unemployed. That was a single-minded, definite purpose. Every unemployed veteran on the

relief rolls was included in that proposed deficit—he will be taken care of out of it.

I cannot in honesty assert to you that to increase that deficit this year by \$2,200,000,000 will in itself bankrupt the United States. Today the credit of the United States is safe. But it cannot ultimately be safe if we engage in a policy of yielding to each and all of the groups that are able to enforce upon the Congress claims for special consideration. To do so is to abandon the principle of government by and for the American people and to put in its place government by and for political coercion by minorities. We can afford all that we need; but we cannot afford all that we want.

I do not need to be a prophet to assert that if these certificates, due in 1945, are paid in full today every candidate for election to the Senate or to the House of Representatives will in the near future be called upon in the name of patriotism to support general pension legislation for all veterans, regardless of need or age.

Finally, I invite your attention to the fact that solely from the point of view of the good credit of the United States the complete failure of the Congress to provide additional taxes for an additional expenditure of this magnitude would in itself and by itself alone warrant disapproval of this measure.

I well know the disappointment that the performance of my duty in this matter will occasion to many thousands of my fellow citizens. I well realize that some who favor this bill are moved to a true desire to benefit the veterans of the World War and to contribute to the welfare of the Nation. These citizens will, however, realize that I bear an obligation as President and as Commander in Chief of the Army and Navy which extends to all groups, to all citizens, to the present and to the future. I cannot be true to the office I hold if I do not weigh the claims of all in the scales of equity. I cannot swerve from this moral obligation.

I am thinking of those who served their country in the Army and in the Navy during the period which convulsed the entire civilized world. I saw their service at first-hand at home and overseas. I am thinking of those millions of men and women who increased crops, who made munitions, who ran our railroads, who worked in the mines, who loaded our ships during the war period.

I am thinking of those who died in the cause of America here and abroad, in uniform and out; I am thinking of the widows and orphans of all of them; I am thinking of five millions of Americans who, with their families, are today in dire need, supported in whole or in part by Federal, State, and local governments who have decreed that they shall not starve. I am thinking not only of the past, not only of today, but of the years to come. In this future of ours it is of first importance that we yield not to the sympathy which we would extend to a single group or class by special legislation for that group or class, but that we should extend assistance to all groups and all classes who in an emergency need the helping hand of their Government.

I believe the welfare of the Nation, as well as the future welfare of the veterans, wholly justifies my disapproval of this measure.

Therefore, Mr. Speaker, I return, without my approval, House of Representatives bill no. 3896, providing for the immediate payment to veterans of the 1945 face value of their adjusted-service certificates.

Thereupon (at 1 o'clock and 10 minutes p. m.) the President retired from the Hall of the House.

At 1 o'clock and 12 minutes p. m., the Speaker announced that the joint session was dissolved.

Thereupon the Vice President and the Members of the Senate returned to their Chamber.

ACTION ON THE VETO MESSAGE OF THE PRESIDENT

The SPEAKER. The objections of the President will be entered at large on the Journal, and the message and the bill printed as a House document.

The question is, Will the House of Representatives, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

Mr. DOUGHTON. Mr. Speaker, there is no subject on which the people of America are more fully advised than that of the immediate payment of the soldiers' adjusted-service certificates. That question has been ably debated by the Congress, not only recently but on many previous occasions. The President of the United States has fully and ably expressed his views on the subject. There could be no new light thrown on the subject by further discussion, in my opinion. The facts are all before us. The case is fully made up and ready for our decision.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Clerk will call the roll.

Those who favor the question will say "aye" when their names are called, and those who are opposed will say "no."

The question was taken; and there were—yeas 322, nays 98, not voting 12, as follows:

[Roll No. 81]

YEAS—322

Adair	Dickstein	Hildebrandt	Meeks
Allen	Dies	Hill, Ala.	Merritt, N. Y.
Amle	Dietrich	Hill, Knute	Michener
Andresen	Dingell	Hill, Samuel B.	Miller
Arends	Dirksen	Hoeppel	Mitchell, Ill.
Arnold	Disney	Hoffman	Mitchell, Tenn.
Ashbrook	Ditter	Hook	Monaghan
Ayers	Dockweiler	Hope	Montet
Bacharach	Dondero	Houston	Moran
Barden	Dorsey	Hull	Moritz
Beam	Doutrich	Imhoff	Mott
Beiter	Doxey	Jacobsen	Murdock
Bell	Driscoll	Jenckes, Ind.	Nelson
Berlin	Driver	Jenkins, Ohio	Nichols
Binderup	Duffey, Ohio	Johnson, Okla.	Norton
Blackney	Duncan	Johnson, Tex.	O'Brien
Blanton	Dunn, Miss.	Johnson, W. Va.	O'Leary
Bloom	Dunn, Pa.	Jones	O'Malley
Bolleau	Eagle	Kahn	Owen
Boylan	Eckert	Kee	Palmisano
Brennan	Edmiston	Keller	Parks
Brewster	Elcher	Kelly	Parsons
Brooks	Ekwall	Kennedy, Md.	Patman
Brown, Ga.	Ellenbogen	Kennedy, N. Y.	Patterson
Brunner	Engel	Kenney	Patton
Buckbee	Englebright	Kerr	Pearson
Buckler, Minn.	Evans	Kimball	Peterson, Ga.
Buckley, N. Y.	Faddis	Kinzer	Pfeifer
Burdick	Farley	Kleberg	Pierce
Caldwell	Fenerty	Kloeb	Pittenger
Cannon, Mo.	Ferguson	Kniffin	Polk
Cannon, Wis.	Fernandez	Knutson	Powers
Carlson	Fitzpatrick	Koppelman	Quinn
Carmichael	Flannagan	Kramer	Rabaut
Carpenter	Fletcher	Kvale	Ramsay
Carter	Focht	Lambertson	Ramspeck
Cartwright	Ford, Miss.	Larrabee	Randolph
Cary	Fuller	Lee, Okla.	Rankin
Castellow	Fulmer	Lemke	Ransley
Celler	Gambrill	Lesinski	Rayburn
Chapman	Gasque	Lloyd	Reece
Citron	Gassaway	Lord	Reed, Ill.
Clark, Idaho	Gavagan	Lucas	Richards
Clark, N. C.	Gearhart	Luckey	Richardson
Coffee	Gehrmann	Ludlow	Robinson, Utah
Colden	Gilchrist	Lundeen	Robson, Ky.
Cole, Md.	Gildea	McAndrews	Rogers, N. H.
Collins	Gillette	McClellan	Rogers, Okla.
Colmer	Gingery	McCormack	Romjue
Connery	Goldsborough	McFarlane	Rudd
Cooley	Granfield	McGehee	Ryan
Cooper, Ohio	Gray, Ind.	McGrath	Sadowski
Cooper, Tenn.	Gray, Pa.	McGroarty	Sanders, La.
Costello	Greenway	McKeough	Sanders, Tex.
Cravens	Greenwood	McLeod	Sandlin
Crawford	Gregory	McSwain	Sauthoff
Crosby	Griswold	Maas	Schaefer
Cross, Tex.	Guyer	Mahon	Schneider
Crosser, Ohio	Gwynne	Maloney	Schuetz
Crowe	Haines	Mansfield	Schulte
Crowther	Halleck	Marcantonio	Scott
Cullen	Hamlin	Marshall	Scrugham
Cummings	Hancock, N. C.	Martin, Colo.	Sears
Daly	Hart	Mason	Secrest
Deen	Harter	Massingale	Seger
Delaney	Healey	Maverick	Shanley
Dempsey	Hess	May	Short
DeRouen	Higgins, Mass.	Mead	Sirovich

Smith, Wash.	Sutphin	Umstead	Williams
Smith, W. Va.	Sweeney	Underwood	Wilson, La.
Snyder	Taylor, Colo.	Vinson, Ga.	Wilson, Pa.
Somers, N. Y.	Taylor, S. C.	Vinson, Ky.	Withrow
South	Taylor, Tenn.	Wallgren	Wolcott
Spence	Thomason	Walter	Wolfenden
Stack	Thompson	Warren	Wolverton
Starnes	Thurston	Wearin	Wood
Steagall	Tolan	Weaver	Woodruff
Stefan	Tonry	Welch	Zimmerman
Stewart	Truax	Werner	Zioncheck
Stubbs	Turner	Whelchel	
Sullivan	Turpin	White	

NAYS—98

Andrew, Mass.	Doughton	Lehibach	Russell
Andrews, N. Y.	Drewry	Lewis, Colo.	Sisson
Bacon	Duffy, N. Y.	Lewis, Md.	Smith, Conn.
Biermann	Eaton	McLaughlin	Smith, Va.
Bland	Fiesinger	McLean	Snell
Boehne	Fish	McMillan	Summers, Tex.
Boland	Ford, Calif.	McReynolds	Taber
Bolton	Frey	Mapes	Tarver
Brown, Mich.	Gifford	Martin, Mass.	Terry
Buchanan	Goodwin	Merritt, Conn.	Thom
Buck	Green	Millard	Thomas
Bulwinkle	Greever	Montague	Tinkham
Burch	Hancock, N. Y.	O'Connell	Tobey
Cavochia	Harlan	O'Connor	Treadway
Chandler	Hartley	O'Day	Utterback
Christianson	Hennings	O'Neal	Wadsworth
Church	Higgins, Conn.	Perkins	West
Claiborne	Hobbs	Peterson, Fla.	Whittington
Cole, N. Y.	Hollister	Pettengill	Wigglesworth
Corning	Holmes	Plumley	Wilcox
Cox	Huddleston	Reed, N. Y.	Woodrum
Culkin	Kocialkowski	Reilly	Young
Darden	Lambeth	Rich	The Speaker
Darrow	Lanham	Robertson	
Dobbins	Lea, Calif.	Rogers, Mass.	

NOT VOTING—12

Bankhead	Casey	Igoe	Peyser
Burnham	Cochran	Lamneck	Sabath
Carden	Dear	Oliver	Shannon

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BYRNS, and he voted "nay."

So (two-thirds having voted in the affirmative) the bill was passed, the objections of the President to the contrary notwithstanding.

The Clerk announced the following pairs:

On this vote:

Mr. Dear and Mr. Burnham (override) with Mr. Peyser (sustain).
Mr. Casey and Mr. Shannon (override) with Mr. Oliver (sustain).

Mr. CULLEN. Mr. Speaker, I beg to announce to the House on behalf of my colleague the gentleman from New York, Mr. PEYSER, who has been seriously ill for the past 12 weeks, and who is still under the doctor's care, that if he were able to be present he would vote to sustain the President.

Mr. Speaker, in this connection I ask unanimous consent to extend my remarks by incorporating in the RECORD his letter to the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The letter referred to follows:

MAY 13, 1935.

HON. JOSEPH W. BYRNS,
Speaker House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: Now that the vote is about to be taken to sustain or override the President's veto on the Patman bonus bill I am anxious to signify my approval of the President's action and would appreciate your inserting this letter in the CONGRESSIONAL RECORD.

As you know, I have been ill in bed for the past 12 weeks, otherwise I would cast my vote on the floor of the House for the sustenance of the President's veto on this measure.

In both my campaigns for election I pledged myself to oppose the payment of the soldiers' bonus and I have consistently fulfilled my pledge to my constituents by voting against its immediate payment. I sincerely regret that my illness prevents my voicing my opposition at this time in person.

With kindest regards and assurances of my appreciation of your making note of my desire to sustain the President's veto, I am
Sincerely yours,

THEODORE A. PEYSER.

The result of the vote was announced as above recorded.

VETO MESSAGE—PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. TABER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, we would all like to do something for the soldiers, but the bonus bill provides for giving them \$1,300,000,000 more than the certificates which have been issued to them call for.

Democratic Members of Congress have already supported appropriations exceeding \$10,000,000,000, which have passed the House at this session. This is three times more than the revenues in sight. Democratic Members of Congress have voted for the \$4,880,000,000 bill, the 9-percent pay-roll tax bill, and the banking bill, which many of them have felt, and some of them have said, were wrong, but that they were supporting the administration. There they did not have the courage to oppose the administration, when they knew the administration was wrong. Now, when the administration is right, they have not the courage to support it.

The country is truly in a sorry state, with a Democratic majority in Congress unable to support and sustain its own convictions. Truly, it is another proof of the old adage that "the Democratic Party is constitutionally incapable of government."

ANSWER TO PRESIDENT ROOSEVELT'S DEMAND THAT THE VETERAN SHALL REMAIN THE FORGOTTEN MAN

Mr. FENERTY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. FENERTY. Mr. Speaker, as I listened to the remarks of the President of the United States in this Chamber a few moments ago, urging the Congress to betray the men who deserve most from the Nation; as I heard him use his mellifluous voice and all the arts of the politician of which he is master in his attempt to arouse American public opinion against the veterans of America's battles, I could scarcely make myself believe that I was listening to a message concerning our veteran soldiers delivered by the man to whom the Army and Navy look as their Commander in Chief. Truly has America fallen upon evil days if a President, elected to be the servant of the people, may thus set aside precedent in order to injure the cause of the hungry and unemployed men who in darker days than those of economic depression were willing, if need be, to die so that the dignity and integrity of the Nation might be preserved untarnished.

The President has no hesitation in recklessly spending million after million of the people's money in seeking to win the votes of the cotton farmers of the South and the hog-raisers of the West. He made no mention of a preferred class in dispensing these moneys, did he? He does not blush at asking Congress to give him a \$5,000,000,000 slush fund so that his election next year may be made possible. His voice utters no protest when our Government pays a bonus to the soldiers of England and France and other European nations. We canceled billions of dollars in debts owed to the United States by foreign powers, thus transferring additional burdens to the shoulders of the American taxpayer, only to find that these ungrateful nations dishonestly defaulted on many billions more. Great Britain, France, Germany, Italy, Australia, Canada, Belgium—each recognized the debt it owed to its war veterans and gave to them some kind of adjusted compensation. Then, with money wrung from the blood of Americans, England balances her budget and boasts that she is on the road to speedy economic recovery. Britain can build great battleships as a threat to European peace, France can equip and train an army of many millions as a menace to other continental nations, and the administration supinely does nothing as these predatory naval and military powers steal our money for their own people and thus indirectly pay an additional bonus to the European soldier at the expense of our own. What a noise English diplomats made a few days ago when it was inadvertently revealed that in the next war with England, our Navy is prepared to capture Bermuda and other English bases now threatening the Panama Canal.

President Roosevelt weakly and apologetically went out of his way to explain that there was nothing serious about

it, but if there had been in the White House a President with the courage of Jackson, or Lincoln, or Cleveland, or Theodore Roosevelt, his answer to the British diplomats would have pointed out that these islands would not even recompense us for the stolen American money now reposing in foreign treasuries and the American blood spilled in the war to make Europe safe for hypocrisy. The Roosevelt administration refuses to sanction payment of its debt to our own impoverished war veterans, but it has no apology to offer for giving our taxpayers' money to foreign nations so that their soldiers may profit while American veterans suffer. There is no doubt that these nations could and can pay. If Finland can pay her debt with 2-percent interest, if the Irish Republic can repay Americans at the rate of \$1.25 for every dollar of the money lent to her, certainly the great militaristic nations can do so without injury to their economic structure.

Eighteen years ago one Democrat in the White House spent millions to wage a European war, as a result of which England became the owner of nearly a third of the world, France filled her pockets and confiscated rich mines and territories, even Japan, which lost but 300 men in the war, gained extensively in land and commerce, while America received the depression and the privilege of paying Europe's bills. That administration did not hesitate to give foreigners staggering sums of American money whenever they requested it, but our American boys who saved the foreigners' unworthy nations from German defeat, received the munificent sum of a dollar a day!

Today another Democrat in the White House comes here to insult the patriotism of real Americans and inferentially assert that a dollar a day was enough. A dollar a day to keep England from becoming a German duchy! A dollar a day to keep France from speaking German! A dollar a day, as Wilson said, to "make the world a better place to live in"! Better for whom? Certainly not for the war veterans who are now condemned by President Roosevelt to the depths of poverty and unemployment, and told that there is no hope of bettering themselves as long as he is in the White House.

In all the annals of American history, Mr. Speaker, has any President ever before so viciously attacked the men without whom that flag would not float so gloriously unsullied behind the Speaker's chair in this House? Mark you well these words by which today the President branded the veteran as no better than the slacker:

* * * Some veterans are on the relief rolls, though relatively not nearly as many as is the case with nonveterans. Assume, however, that such a veteran served in the United States or overseas during the war; that he came through in fine physical shape as most of them did; that he received an honorable discharge; that he is today 38 years old and in full possession of his faculties and health; that like several million other Americans he is receiving from his Government relief and assistance in one of many forms—I hold that that able-bodied citizen, because he wore a uniform, and for no other reason, should be accorded no treatment different from that accorded to other citizens who did not wear a uniform during the World War."

In other words, according to the President, you veterans of America are just as good as the slacker and the profiteer—but no better. In the President's opinion, your sacrifice for our country merits no financial approval greater than that to be extended to the man who shirked his patriotic responsibilities in time of war. And then, to heap additional insult upon the injury inflicted by these words, the President further says:

If a man is suffering from economic need because of the depression, even though he is a veteran, he must be placed on a par with all the other victims of the depression.

What a teaching for the Chief Executive to put into the minds of the dangerous radicals and timid collegians who cowardly assert that they will never defend America against an enemy. You veterans, according to the President's insinuation, must be placed on an equality with the Russian Communist who entered this country during the past few years to find a place on the relief rolls. How the red agitators will roll these words like a sweet morsel from their

tongues! The day will come, Mr. Speaker, when the President will regret their utterance, for through them, as Marc Antony has said:

Now let it work: Mischief, thou art afoot. Take thou what course thou wilt!

Mr. Speaker, if I were a newspaper artist, like Mr. Jerry Doyle, of Philadelphia, whom I consider the brilliant leader of his profession, I would draw a cartoon of the veteran sitting upon the steps of the White House, and above his gaunt face and torn uniform I would place, as if in prophetic vision, a picture of the future, with the veteran in an old men's home for the poor and an image of Franklin D. Roosevelt above him—as the artists are accustomed to picture thought—and beneath the drawing I would place the words of the popular song, "When I grow too old to dream, I'll have you to remember."

Mr. Speaker, it is 18 years since our American boys went forth to the great adventure. With faces turned toward the rising sun, we did not question those who called us to the flag. We would answer as cheerfully again, if America called. To unknown lands and unknowable fates we marched on, to set up those tiny wooden crosses that snowed over in an early winter of white mercy the dead and broken blossoms of young American manhood that lay scattered through the red, untimely harvest fields of war.

Now where is the glory of war to the boys who abandoned all that life then held of success and happiness for the hardships of crowded camps and rain-drenched battle cruisers and mud-filled trenches and broken slumbers beneath the exploding shellfire of the lifted guns? The pomp and circumstance of war can today be seen in the sightless eyes, the torn bodies, the mutilated lungs, the shattered nerves, the weakened hearts. The glory of battle is to be found in the 60 veterans' hospitals with over 50,000 beds, all occupied, and in the long waiting lists numbering practically a fourth of those who answered the call to arms in the stirring days of 1917.

As the President was driven back to the White House this afternoon after his plea that justice be denied to the veterans, he passed down Pennsylvania Avenue, where these boys trod with vigorous step in the month of May of that first year of war. Today the President, if he would but look around, could still see them, but what a contrast he would find! There is now no martial music to keep them swinging along, no cheers greet their approach. They wear no trim uniforms. There is no light gleaming in their eyes. Hungry, with insufficient clothing, many of them without the price of an artificial limb, searching for the employment that will enable them to keep their unfortunate families together, they had turned toward the White House in the vain hope that the inevitable Presidential smile might cloak a heart equally as genial.

Yesterday the man in the White House was looked upon as the potential savior of these heroes who had offered their youth upon the altar of national sacrifice and devotion. Today the veterans know that they have been betrayed; they realize the hollowness and sham of some of our so-called "great men"; they see the hypocrisy of those politicians whom but yesterday they had considered statesmen.

Mr. Speaker, as the President delivered that message today, callously shutting the door of hope in the faces of the men who only a few years ago were hailed as the champions of liberty and democracy, I thought to myself that there are, indeed, men in high places who are so absorbed in their own selfish desire for continued power that they become, so to speak, tone-deaf—they can hear only the sounds of praise and commendation, but fail to hear the voice of Congress, fail to hear the voices of Republicans warning them that the bonus is a sacred obligation long overdue. Yes; they even fail to hear or to heed the piteous plea of the soldier, the heart-breaking cries of his wife and his children. And, as the President made his demand that the veterans be ignored, I thought that if he would only leave the Executive Mansion and the Astor yacht and come down into the

streets of a great city like New York or Philadelphia or Chicago or Detroit or San Francisco or Boston—if he would only gaze for a moment into the startled eyes of the wounded men who, until this hour, had maintained their trust in him, he would realize, as you and I know, that there are some things in life that cannot be waved aside with a gesture; there are hunger and disease and want and distress among men and women and children that cannot be obliterated even by a Presidential laugh.

It is utterly ridiculous and fallacious for the President to insinuate that payment of this just debt would ultimately injure the financial credit of the Nation and impair recovery. He is, himself, a financial czar, having absolute dictatorial control of \$5,000,000,000, not to mention the gigantic sums still left unspent from the last Congress. If he would be just to the veteran, let him take two billions from this huge fund and with it pay the soldiers the debt which the Nation owes them. He could pay every veteran the value of his adjusted-service certificate and still have enough left over to influence half a dozen national elections. Tomorrow I shall introduce a bill directing the President to do this, in the event that his veto be sustained.

As for his utterance that the bonus is not due until 1945 and that payment of the debt to the veterans would violate the contract contained in the adjusted-service certificates, I ask you, Mr. Speaker, when did Mr. Roosevelt become so anxious about the inviolability of contracts? When did this amazing conversion to sanctity take place? What about his own contract with the people, as contained in the Democratic platform upon which he was elected? He has violated every pledge and contract in it save one. He has broken it to plunge the Nation headlong into an unprecedented peacetime indebtedness upon the theory that he can squander our way back to prosperity. He has sanctioned the violation of contracts with the Government payable in gold, he repudiated air-mail contracts, and stubbornly sacrificed the lives of 13 Army fliers to prove that he was right—and then changed his mind again. He has violated the contract written on your paper money—so that today, even if wages were increased 25 percent, you actually receive only 85 percent of your former wage, because the Roosevelt dollar is worth only 60 cents. Violation of the contract! Why, the President has done nothing else since he took office but show his contempt for obligations. But as a matter of fact, the contract with the veteran calls for payment of a debt that is not due in 1945, but that was due in 1919—as soon as the boys doffed the uniforms in which they served the Nation.

Mr. Speaker, I have made these few remarks so that the veterans may know that their cause is not yet lost. As the sun sinks tonight it will take with it, never to rise again, the confidence and the faith which America's war heroes had reposed in their President. He has failed them in their hour of need, he has abandoned their cause to the money-changers who would practice their so-called "economy" at the expense of the veterans' misery.

To the eternal shame of the Roosevelt regime be it known that 2 years ago in the name of the Economy Act it took from the veterans, their widows, and their orphans the pittance that they had received to keep body and soul together. Let the administration go its way into the limbo of forgotten things. Let it cover its shame with the blanket of million-dollar bills wrung from the people for its gigantic \$5,000,000,000 election slush fund. Let the President continue to shout to the skies that the forgotten man of the World War is still to remain forgotten.

There are others who will fight the veterans' battles. There are Republican voices that will not be hushed until complete atonement is made for this disgraceful day. There are men here who will hold aloft the torch that the veterans caught flaming amid the poppies of Flanders Fields.

I call upon all just, far-seeing men to vote to defeat the veto of the President. As a Republican, I presume to summon the Democratic Senator from my own State to change his attitude and stand with us in our plea for justice to the

heroes of the land. I call all real Americans to the veterans' standard, and, as I uplift it on behalf of my fellow veterans today, I remind you that—

By the friends who are lost to us,
By war's tremendous cost to us,
By all we've seen and all we've known,
And by the work we've wrought,
Now that we are back again,
Upon the homeward track again,
God help the men who are not true
To that for which we fought!

EVASION OF PANAMA CANAL TOLLS

Mr. LEA of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEA of California. Mr. Speaker, for over 15 years the organized shipping interests have aggressively blocked every attempt of the Government to establish a business-like and just tolls system for the Panama Canal. In the meantime the unwarranted and manipulated tolls exemptions under a dishonest tolls system have constantly increased.

Over 3,000,000 tons of pay-load space of vessels now using the Canal evade the payment of tolls each year.

The amount of this evasion is constantly increasing and will continue to increase unless Congress passes the pending bill to correct this situation.

Under the present law, by superficial changes in ships, their owners evade tolls on a large part of their cargoes.

In 1933, five shipping companies, in this manner, reduced their tolls on 38 ships from 19 to 26 percent each, with an aggregate evasion of \$710,000.

Only part of the ships using the Canal can or have availed themselves of the evasions the law now permits. So great have been the evasions, however, that the aggregate of all tolls collected from 1917 to 1933 was reduced 10 percent.

Many shelter decks, completely enclosed from the weather and water, are now escaping tolls. A shelter deck, for example, with 3,000 tons or more of cargo space, may be exempted on one ship under the present law. This would equal a train load of about 120 freight cars. Over 2,150,000 tons a year now escape tolls in this way.

Under the present law, the actual tonnage charged on laden ships by the different nations varies from 77 cents to \$1.26, or a variation of 49 cents per ton. As between the six leading nations using the Canal, there is a variation of 18 cents a ton based on the actual earning capacity of the ships.

Of the six leading commercial nations, the ships of the United States pay next to the highest rate of tolls, on the average.

Under the present law, many ships pay 72 cents a ton whether laden or in ballast. In other words, an empty ship pays as much as a laden one, although it was intended the ship in ballast should pay 40 percent less.

Two ships of the same size and carrying the same cargo may pay radically different tolls, \$2,000 difference for instance, one being exempt from tolls on its shelter deck, the other required to pay.

Many foreign vessels pay tolls on a less tonnage than assigned them by their own national registration rules.

WHY THESE ABSURDITIES?

Manifestly Congress never intended these absurdities in the administration of the tolls of the Panama Canal. Then why do they exist?

They exist on account of an inadvertent mistake Congress made in the Tolls Act of 1912. Congress authorized the President, subject to certain limitations, to fix the tolls for the Panama Canal and to change the rates from time to time.

The President was authorized to make rules for the measurement of tonnage of vessels using the canal. One hun-

dred cubic feet is a vessel ton, and tolls are levied on that basis.

Unfortunately, as it subsequently developed, Congress included a proviso that the tolls should not exceed the equivalent of \$1.25 per "net registered ton." The whole trouble in the tolls situation originated out of the use of the one word "registered." That word was subsequently interpreted as meaning a registered ton under the old United States statutes of ship registration and not a registered ton under the Panama Canal rules as Congress had intended. This had the effect of substituting the old registration rules of measurement so far as the maximum tonnage tolls were concerned. In other words, it limited all tolls to the tonnage as measured by the old United States rules instead of by the Panama Canal rules which were designed for that purpose.

All of the absurdities in the administration of Canal tolls have grown out of the inappropriate application of tonnage rules not intended for Canal purposes.

The original purpose of Congress to prescribe uniform rules for commercial ships, tolls to be levied on actual earning capacity was thus defeated. The excessive exemptions of carrying space have occurred under this interpretation.

In cases where there is a difference between the total net tonnage of a ship under the two sets of rules, which is always the case, all load space in excess of the old United States rules is exempt.

Under interpretations of the old United States registration rules, tricky, superficial structural changes not materially affecting the load capacity of a vessel have been resorted to to reduce tolls. This progressive reduction has been going on for over 15 years.

The Suez Canal, the only other great oceanic canal, long ago recognized the impracticability of accepting old national registrations of tonnage and adopted separate rules for measuring vessels for tolls purposes. It was for a similar purpose that the United States authorized the Panama Canal rules of measurement. The unanticipated interpretation of the law has prevented a businesslike and just system of toll levies at the Canal.

In the construction of the Canal the United States excited the admiration of the world. Every person who has seen the Canal marvels at the simplicity and efficiency of its physical operation. As a constructor and operator of the Canal Uncle Sam is a genius. He is, by the inaction of Congress, forced to be a gullible toll keeper.

PURPOSES OF BILL

The main purpose of the Canal tolls bill, H. R. 5292, is to remedy the mistake in the Tolls Act of 1912.

The purpose is to eliminate all unwarranted exemptions and require every ship to pay tolls on its actual earning capacity space.

Under the present law some ships are paying more than they should, others are paying less. This bill would place them on a uniform basis.

The object of this bill is neither to raise nor lower the aggregate amount of tolls now collected. It proposes to fix the tolls on an equal and just basis that will collect practically the same amount of tolls now being collected.

A further and very important purpose is to prevent further evasion of tolls.

When tolls are reduced it should be by the reduction of the unit charge and not by tricky evasions under the technical advantages afforded by the present law. Our Government and not the users of the canal should say when and how tolls are to be reduced.

The nominal rate of tolls on laden vessels is now \$1.20 per ton of 100 cubic feet. In practice the limit of tolls is \$1.25 per ton under the old United States rules on payments based on part only of the actual earning capacity of the ship. While, nominally, laden vessels are paying \$1.20 per ton, in practice they are paying on the average about 90 cents per ton on their actual earning capacity space. Some ships are paying more and some are paying materially less.

A toll honestly levied at a uniform price on the actual earning capacity of the ships using the canal at 90 cents a

ton will raise as much money as is now being collected under the present tricky system at the rate of \$1.20 per ton.

A ship which, through the interpretation of the act of 1912 and by evasion has reduced its tolls 25 percent, would under this proposed legislation pay no more than it is paying at present. A ship which has evaded tolls in excess of 25 percent of its actual load space will be required to pay more.

In any event, any ship required to pay more tolls on account of this legislation will be required to pay only the same amount as the average vessel now using the Panama Canal is paying. If such ships suffer any injustices, it is the injustice of being placed on an equality with other ships.

COMMITTEE ON MODIFICATION OF RULES

Section 2 of the bill authorizes the President to appoint a special committee of three to serve for not more than 6 months to study and investigate the rules for the measurement of vessels using the Canal and the tolls to be charged. This committee is to report directly to the President.

The object of this provision is to give the shipping interests every opportunity to present any facts or make any proposal that may aid the President in levying tolls and in methods of measurement that shall be businesslike and just. This committee is authorized to recommend such changes and modifications in the rules as it finds necessary or desirable to provide a practical, just, and equitable system of measuring such vessels and levying such tolls.

The President will have power from time to time to change the rules as circumstances require. A constant method will be available for the shipping interests or others to secure any meritorious change in the rules or the tolls. The rules for the Suez Canal have been changed on an average of about once a year for the last 15 years.

The President will not adopt the modified rules or levy the new tolls until after the committee has reported.

This bill in effect allows 6 months for investigation, about 2 months for a consideration of the report by the President, and the 6 months' notice of change that the law now requires before the new rates go into effect on September 1, 1936.

This procedure is practically the same as that followed under the original Tolls Act of 1912. In that case a special committee which prepared the rules reported to the Secretary of War, and the President proclaimed the rules as authorized by Congress. Under this bill the special committee will be appointed by the President and report directly to him.

MODIFICATION OF MEASUREMENT RULES

Tolls are levied on pay-load space. The Government is not interested in collecting tolls on space not usable for pay loads.

The whole opposition to the bill is an effort to hold on to unwarranted exemptions.

This bill proposes that measurement of vessels for tolls shall be based on the actual earning capacity. The purpose will be to eliminate from measurement any parts of the ship not usable for earning-load space and to measure and levy tolls for all pay-load carrying space.

Some results of this investigation are practically certain. There will be a moderate decrease in the measurable tonnage under the Panama Canal rules and a substantial increase of the measurable tonnage as now made under the United States rules.

There will be no radical change in the aggregate amount of tolls collected and a toll of not over 90 cents a ton on laden ships will produce substantially the same tolls now produced by \$1.20 a ton on a measurement that includes part only of the ships' earning space.

A ship now escaping tolls on only 25 percent of its pay-load space will not be required to pay a higher toll than at present.

A ship now having an exemption of over 25 percent of its pay-load space may have its tolls increased.

It is safe to predict that certain public spaces on passenger vessels not under exclusive occupancy of passengers, such as library and music rooms, children's play rooms, and so forth, will be relieved from measurement under the Panama Canal rules as revised. Most of the vessels to get the benefit of

this reduction in measurement are American vessels, which more frequently transit the Canal. Therefore the chief benefit of this reduction will go to American passenger vessels, and it will relieve them from the extreme increases in tolls which might otherwise result from the change in the rules.

The exemption of these spaces will total about 300,000 tons.

There are a few other minor situations in which reductions of measurable space will probably be made.

In the main it will doubtless be found that the Panama Canal rules of measurement, based on equality of tolls according to actual earning capacity, are just and satisfactory. The investigation, however, will give full opportunity for consideration of every phase of the measurement problem that may be presented.

After the investigation is over, and with full knowledge of the facts and the recommendations of the committee before him, the President will modify the rules as the facts are found to warrant.

SHIPPING COMPANIES URGE AN INVESTIGATION ONLY

Consistent with the policy of 15 years' opposition of delay certain shipping companies are now proposing the elimination of all but section 2 of the canal tolls bill and that we simply authorize an investigation and report on the tolls question.

It is not suggested what benefit the rules will be without any power to put them into effect. Certainly Congress should not fix unchangeable rules for the measurement of vessels any more than it should fix freight rates unchangeable by administrative action. If rules were fixed by law, every time any injustices developed the only opportunity for correction would be by an amendment of the law by Congress.

To authorize an investigation and report on the revision of the Panama Canal rules without any power to put the proposed changes into effect would be a waste of time and money. It could serve no purpose except that of certain shipping interests to evade the payment of tolls justly due and to encourage further evasions.

THE ATTITUDE OF THE SHIPPING COMPANIES

The shipping interests are not responsible for the mistake in the law of 1912. We cannot blame them for availing themselves of an advantage unjust to the Government but which the law permits. We should not look with favor, however, on the organized tenacious effort to prevent the Government from having a businesslike, just tolls system by those who are receiving unwarranted and special advantages by the continuance of the present law.

I am from a coast State. My district and State are especially interested in seeing that the shipping companies get every encouragement and help that justly belongs to them. I am not interested in aiding the shipping companies to gouge the Government in the evasion of tolls.

I would welcome any modification of measurement rules that justice can dictate, but I am unwilling to oppose the Government in its efforts to require all ships to pay tolls on a just basis of equality.

There is no honest reason in the world why a whole shelter deck carrying hundreds or even thousands of tons of cargo perfectly protected from the weather and storm should go through the Panama Canal without paying tolls.

One of the worst features of the situation is the progressive evasion of tolls under the existing law. The cargo spaces now exempt can be indefinitely increased. Trifling changes in structure have exempted shelter decks; now the height of those decks is being increased and thus further increasing the tolls exemptions. Decks formerly 8 feet in height are being increased as high as 14 feet, thus permitting the exemption of large additional spaces.

The shipping companies are now advocating loans from the Government for ship construction at long-time low-interest rates. If new construction occurs the money so loaned by the Government will be used for tricky construction to evade the payment of tolls to the Government that is trying to aid and encourage the companies. No construction loans should be made until after this legislation becomes a law.

Last year the Government paid \$27,000,000 in excess of open-contract prices as subsidies for mail transportation to our foreign shipowners. The amount of this gift to the shipping companies was \$3,000,000 in excess of the total tolls collected at the Panama Canal. Yet certain shipping companies receiving benefits from the exemptions they now enjoy, seek to prevent the Government from establishing a businesslike and equitable system of tolls, in order that their special advantages may continue. They seek to prevent the Government from charging them the average tolls now paid by ships using the Canal. The little difference between what they are paying and what they should pay inspires the outcry of injustice if an equal tolls system is established.

The construction of the Panama Canal cost the Government \$375,000,000. The Suez Canal, the only other great interoceanic canal, was built at one-third that cost and charges higher tolls than we collect at the Panama Canal.

A few years ago we loaned the shipping companies \$157,000,000 for ship construction. Yet the same companies have for 15 years systematically and tenaciously opposed every effort of Congress to relieve the Government of the unwarranted exemptions under the act of 1912.

In the course of the hearings on this legislation our committee invited and urged every shipping company to submit any proposal or amendment that it thought necessary or desirable to make Canal tolls administration businesslike, and just. The most concrete response was that no plan would be agreed to that would require any ship to pay a greater toll than it is now paying.

HISTORY OF LEGISLATION

The Interstate and Foreign Commerce Committee has had jurisdiction of this legislation ever since the Canal was started. Upon a report from that committee this legislation has four times passed the House. It has had the support of General Goethals and practically every person connected with the Canal administration from the time of General Goethals to the present. It has had the support of each Secretary of War.

This bill is presented with a request from President Roosevelt that it be enacted.

No partisan effort has been made against the bill by either Democrats or Republicans prior to this Congress. It had the support of President Wilson and succeeding Republican Administrations.

Its enactment prior to this time has been blocked in another body.

John Esch and James Parker, former Republican chairmen of our committee, supported this legislation. It was supported by the former Republican leader, Hon. Frank W. Mondell, by Hon. Everett Sanders, who subsequently was secretary to President Coolidge, and by those splendid members of our committee, Congressmen Hoch and Dennison.

So far as I am aware, no member of our committee, Democrat or Republican, who had knowledge of the facts has opposed this legislation in the last 10 years. In the last Republican House it passed by unanimous consent.

The need of this legislation is so obvious that the situation does not, in my judgment, justify the opposition of any Member.

PROCTORS AND MARSHALS' FEES AND BONDS AND STIPULATIONS IN SUITS IN ADMIRALTY

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a copy of the bill H. R. 29.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KENNEY. Mr. Speaker, the House of Representatives has now passed H. R. 29, introduced by me, relating to fees on appeal and marshals' fees and bonds in admiralty.

Following is the bill as passed by the House:

[H. R. 29, 74th Cong., 1st sess.]

A bill to amend the laws relating to proctors and marshals' fees and bonds and stipulations in suits in admiralty

Be it enacted, etc., That section 824 of the Revised Statutes (U. S. C., title 28, sec. 572) is amended by adding after the first paragraph of such section the following new paragraph:

"On appeals in admiralty, where the amount involved is not over \$1,000 a proctor's docket fee of \$20; where the amount involved is from \$1,000 to \$5,000 a proctor's docket fee of \$50; where the amount involved is over \$5,000 a proctor's docket fee of \$100. On such appeals cost of brief of successful party to be taxed, where amount involved is not over \$1,000 at not exceeding \$25; where amount involved is between \$1,000 and \$5,000 at not exceeding \$50; where amount involved is over \$5,000 at not exceeding \$75."

SEC. 2. Section 829 of the Revised Statutes, as amended (U. S. C., title 28, sec. 574; Supp. VII, title 28, sec. 574), is amended by striking out of such section the paragraph which reads as follows:

"When the debt or claim in admiralty is settled by the parties without a sale of the property, the marshal shall be entitled to a commission of 1 percent on the first \$500 of the claim or decree, and one-half of 1 percent on the excess of any sum thereof over \$500: *Provided*, That when the value of the property is less than the claim such commission shall be allowed only on the appraised value thereof."

SEC. 3. Section 941 of the Revised Statutes, as amended (U. S. C., title 28, sec. 754), is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "*Provided*, That the parties may stipulate the amount of the bond or stipulation for the release of a vessel or other property on libel in admiralty to be not more than the amount claimed in the libel, with interest, plus an allowance for libellant's cost: *Provided further*, That in the event of the inability or refusal of the parties to so stipulate the amount of the bond, the court shall fix the amount thereof, but if not so fixed then a bond shall be required in the amount hereinbefore prescribed in this section."

The first section of the bill establishes a uniform schedule of proctors' docket fees on appeals in admiralty cases, and also allows the cost of brief on appeals to the successful party, with a limitation on such fees and cost of brief according to the amount involved in the litigation. The docket fees and cost of brief allowed are moderate and reasonable. Costs fixed by this section apply exclusively to matters on appeal. The provision for such costs will have the salutary effect of preventing appeals solely for vexation or delay.

Section 2 of the bill strikes out the paragraph of present law which requires payment of a commission to the marshal in all admiralty cases where the claim is settled without a sale of property.

The Secretary of Commerce proposed an amendment, accepted by the Committee on the Judiciary and incorporated in the bill, providing that in case a vessel or other property is sold by a public auctioneer or some person other than the marshal or his deputy, the amount of the marshal's commission shall be reduced by the amount paid to the auctioneer.

This section eliminates the heavy charges marshals receive in cases where there has been a settlement of the suit. Admiralty practitioners and maritime interests and those having recourse to the admiralty laws have long thought that the marshal should not receive a commission when there is a settlement, and no sale of the vessel or other property and no money passes through the hands of the marshal.

The third section of the bill permits the parties to a suit in admiralty to stipulate the amount of the bond or stipulation for the release of a vessel or other property on libel, to be not more than the amount claimed in the libel, with interest, plus an allowance for libellant's costs. It further provides that in case the parties are unable to agree the court shall fix the amount of the bond; but if not so fixed, then a bond shall be required in the amount prescribed by the law which this section undertakes to amend. That law requires the bond to be in an amount double the amount claimed in the libel. It is the common practice to furnish surety bonds for the release of libeled property, and the expense of premiums on the bonds are taxed in favor of the successful litigant. The double amount of the bond is far in excess of the amount of probable recovery and this section of the bill will materially reduce the amount of premiums taxed against a litigant in such cases.

The bill as enacted will tend to discourage appeals not taken in good faith and will materially reduce certain of the expenses incident to litigation in admiralty.

FEDERAL DEPOSIT INSURANCE ACTIVITIES IN PENNSYLVANIA, OHIO, AND WEST VIRGINIA

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein

certain remarks made by the Chairman of the Reconstruction Finance Corporation.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, when we compare the banking set-up of the Nation today with what it was on March 3, 1933, we are doubly proud of the institutions that Congress has set up during this time to give security to the people with reference to their deposits and money matters. It is most gratifying to go about and learn from the masses that they now have confidence in our banking institutions. It was a group of Congressmen from Pennsylvania, Ohio, and West Virginia who had the pleasure of having as our honor guest around the Speaker's table in the Speaker's dining room on May 9 the Honorable Leo T. Crowley, Chairman of the Federal Deposit Insurance Corporation, and the brief talk he gave us was so interesting that I am asking unanimous consent to insert the same in the Record at this point.

Mr. Chairman and gentlemen, first let me thank you for your most kind invitation to be with you this noon. It is not often that we have the privilege of speaking before such a substantial and important group of Representatives. I want you to know that it is a genuine pleasure to be here and that I have enjoyed being with you immensely.

While I wish to confine my remarks principally to those facts relating to banking in West Virginia, Ohio, and Pennsylvania, so far as the Federal Deposit Insurance Corporation is concerned, I would like to point out, with your indulgence, that the consensus of opinion seems to be that the administration and the Federal Deposit Insurance Corporation have been successful in restoring the confidence of the people in banks and have accomplished great results in rebuilding the entire banking structure of the country. It seems to me that insurance of deposits has dispelled the fear that gripped the Nation's depositors, winning at the same time the respect of bankers in rural communities and business centers as well. I think this is borne out by the regular reports received in Washington from the State directors of the National Emergency Council. These reports, I may say, represent an impartial cross section of public opinion throughout the country. A summary of those submitted for the month of March, the last date for which this information is available, indicates that in no State has an unfavorable reaction to the Federal Deposit Insurance Corporation been noted. Thirty-five State directors reported definitely favorable reactions. As a matter of fact, many of them said that the Corporation is generally conceded the most universally helpful of the various recovery measures. I mention this not in the spirit of boastfulness but merely to call your attention to the fact that the principle of Federal insurance of deposits has seemingly worked very successfully and is being well received throughout the country.

I am very happy to be able to tell you that the reports from your own States have been most gratifying. In West Virginia the report was that the public reaction to the Federal Deposit Insurance Corporation quite sympathetic and deposit insurance has stimulated confidence in banking institutions. In Ohio the report to Washington was: "program has been exceptionally beneficial and remains least criticized of all emergency agencies." Of like tenor is the reaction in Pennsylvania. The State director of the emergency council wrote that the principle has functioned very successfully and restored confidence. It would be both selfish and unfair for me to claim that this favorable public opinion was all due to the F. D. I. C. I can tell you in all honesty and sincerity that much credit is due to your own State supervising authorities and a large percentage of the bankers in your own individual States of West Virginia, Ohio, and Pennsylvania. We have had very fine cooperation from the superintendent of banks in West Virginia and Ohio. Their criticisms have been constructive and they have exhibited a genuine desire to be of help. We at the F. D. I. C. are much indebted to them.

Dr. Luther Harr, the new superintendent of banks of Pennsylvania, has made a splendid start and has been assisting us in every way possible.

Coming now to figures and facts in which you are no doubt mostly interested, I think if I were to discuss your individual States separately it would be most satisfactory for all concerned. Unless you have other suggestions I will start with West Virginia.

Our latest figures show that as of October 1, 1934, 168 banks belong to the Temporary Federal Deposit Insurance Fund out of a total of 179 banks licensed to do business in that State. The insured banks are classified as follows: 72 State banks, 78 national banks, 18 State banks members of the Federal Reserve System.

These banks had total deposits of over \$213,000,000, of which \$140,000,000 were insured; 717,411 depositors out of a total number of 722,420 are fully insured. In other words, 99.31 percent were fully covered under the present \$5,000 limit of insurance. You can, therefore, see that there is small justification for raising the coverage of insurance. This comment is applicable for the other States of Ohio and Pennsylvania.

From 1921 to 1934, inclusive, 130 banks with total deposits of over \$77,000,000 suspended operations. Since the insurance of deposits became effective, on January 1, 1934, not one insured bank has closed in West Virginia.

In 1921 West Virginia had 350 active banks with \$316,000,000 in deposits. In 1934 it had 179 banks with \$219,000,000 in deposits. Through the combined efforts of the Reconstruction Finance Corporation and the sacrifices and contributions made by local communities, the F. D. I. C. has been able to assist in the rebuilding of 72 insured banks in West Virginia. The R. F. C.'s investment in these 72 banks amounts to \$5,100,000.

Three hundred and fifty-two thousand dollars has been paid by the West Virginia banks by way of assessments for their deposit insurance.

You gentlemen from West Virginia may well feel proud of the way your banks have cooperated in a movement to protect the money of depositors.

The figures relating to Ohio are equally enlightening and just as reassuring. Out of a total of 686 licensed banks, 672 are insured. Of these, 252 are national banks, 352 are State banks not members of the Federal Reserve System, and 68 are State member banks. The insured banks have total deposits of \$1,512,465,000, of which \$848,932,000 are insured; 2,943,769 out of a total of 2,976,625 depositors are fully insured. In terms of percentage this amounts to 98.90 percent. For the 1921-34 period, 239 Ohio banks suspended, involving deposits of almost \$329,000,000. This is an average suspension per year of 17 banks with deposits of twenty-three and one-half millions. Up to date we have had no failure of any insured bank in Ohio.

There has been a very sizable reduction in the number of active banks in Ohio during the past 14 years. In 1921 there were 1,132 active banks with deposits of \$1,800,000,000. In 1934 there were 686 active banks having deposits of \$1,500,000,000. These facts exclude three mutual savings banks, which are insured, with total deposits of \$110,000,000.

The R. F. C. has put almost \$72,000,000 in 350 insured Ohio banks. Our Corporation collected up to December 31, 1934, \$2,349,000 in assessments from Ohio banks.

I understand that business conditions in Ohio are much improved and that there is a general better feeling throughout the State. If these conditions continue, I would expect to see the Ohio banks, and this is true of West Virginia and the Pennsylvania banks also, start to make money—as it seems to me with a recovery in their bond list they will be in a fine position to make profitable loans.

Pennsylvania has more insured banks than any other State in the Union. I suppose, therefore, I should make a special bow to the Pennsylvania delegation. There are 1,083 licensed banks in Pennsylvania. Of these, 1,072 were insured on October 1, 1934. The insured banks were divided into 704 national banks, 295 State banks, and 73 State banks which were members of the Federal Reserve System. The insured banks had total deposits of \$3,679,542,000. Insured deposits amounted to \$1,718,331,000. Insured depositors numbered 5,581,606; 5,505,143 were fully insured. Putting it another way, 98.63 percent of the depositors were fully covered by the \$5,000 limit.

We have had one insured bank fail in Pennsylvania. We were able to pay the insured depositors their money within 10 days after legal complications involving a State law were removed. The Bank of America Trust Co. had deposits of over \$1,000,000, of which \$318,837 were insured. The Corporation was not appointed a receiver for this bank, and so has not as yet received any dividend. We estimate, however, that there will be an eventual recovery of around \$106,000. This record of failures contrasts sharply with the number of banks which failed from 1921 to 1934 in Pennsylvania. During that time 243 banks shut their doors and had deposits of over \$148,000,000.

In keeping with the tendency elsewhere Pennsylvania had reduced the number of active banks from 1,607 in 1921 to 1,083 in 1934, with comparative deposits of \$3,500,000,000 in 1921 to three and seven-tenths billions in 1934. Mutual savings banks were not included in those figures. There are 7 in Pennsylvania with deposits of \$522,000,000. Of the 7, 2 are insured, with total deposits of \$5,000,000.

I hope that these figures have not bored you and they have given you some idea of the extent and influence of the F. D. I. C. in your own home State.

The following information will help you to complete the entire picture of deposit insurance:

On January 1, 1935, 14,212 banks were members of the temporary-insurance fund. There are only about 1,060 commercial banks in the whole United States which are not members. The membership is made up of the following classes of banks: 7,702 State nonmember banks, 5,462 national banks, 980 State member banks, and 68 mutual savings banks.

As of October 1, 1934, the last date for which these figures are available, 14,125 banks belonging to the fund had 51,250,000 depositors. Fifty million four hundred thousand depositors were fully insured. Only 800,000 were partly insured. The 14,125 banks had total deposits of over \$37,000,000,000, of which \$16,500,000,000 were insured. This tremendous financial liability of the Corporation is equal to more than half of the total debt of the United States Government.

During our examinations we discovered that many banks had a weak capital structure—so we set out to correct this unhealthy condition. As you all know, the deposit liability of a bank should not be grossly out of proportion to its unimpaired capital. In accordance with this principle the yardstick of \$1 of unimpaired capital for every \$10 of deposits was largely used in determining whether banks were safe risks for their depositors and the Corporation. Up to December 31, 1934, 5,451 banks received additional capital amounting to \$851,296,000. Of this number 1,759

were national banks and 3,692 were State banks. The R. F. C. contributed \$440,827,000 to the national banks and \$410,469,000 to the State banks.

I trust that all of you will view our problems with the sympathetic understanding of what we are trying to accomplish for bank depositors everywhere—not only in the big metropolitan centers but also in the small banks in the rural communities. I think you will agree with me when I say that deposit insurance is neither partisan nor political and is interwoven into the economic and financial life of almost half of our population. Naturally, those of us who are charged with its administration are anxious for your support and assistance.

REPLY TO AN ARTICLE IN THE NEWS-WEEK, NEW YORK CITY

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter referring to a news article written by a colleague of mine from Wisconsin.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter written by my colleague the gentleman from Wisconsin [Mr. CANNON].

The NEWS-WEEK,

Rockefeller Center, New York, N. Y.

GENTLEMEN: My attention has been called to an article concerning me, published in your issue of May 18. The apparent bold attempt of this article to injure me by innuendo and flagrant misstatement of facts is such that I find it necessary to reply.

No. 1. To begin with, you state, among other things, that "Representative CANNON protested to police after being held at jail for 3 hours, posting a bond and forfeiting it by failing to appear in court."

This matter was never presented to any court nor was I requested by anyone to appear in court. It was simply a matter involving what I thought was an excessive and exorbitant charge made by a taxicab driver, who, I honestly believe, has some financial relations with the particular police precinct headquarters he drove me to. No charge was made against me respecting my conduct by anyone in the station until I made the charge that I believed officers of the precinct were cutting in on the exorbitant charges that I was coerced into paying.

Whereupon two or three officers frantically leaped from their chairs saying "Keep him here until the lieutenant arrives!"

You knew that just prior to this incident a District committee, comprised wholly of Congressmen, made a report after a thorough and extensive investigation into the activities of the police in Washington. The report stated that members of the police department were not only inefficient but were corrupt. Leopards do not change their spots overnight.

Of course, when you set out on your orgy of vilification and libel you cannot be expected to inject any matter into your stories that will destroy their prime purpose.

No. 2. Your article also states that last year "Representative CANNON injured three members of the New York Stock Exchange while driving his car. Police claim he hit and ran."

You know that the facts are as follows: Three members of the New York Stock Exchange, after having attended a party, hurried into a taxicab at the Willard Hotel to go to the Union Depot. The taxicab driver made a left-hand turn directly in front of my car when I was so close I could not stop. The damage to my car was trivial. The bumper was wrapped around the front wheel so tightly that I could not drive away if I wanted to. A garage man was called to adjust the bumper, so that my car could be driven. I remained at the scene of the accident for 45 minutes. In fact, I went to the hospital and talked to the only member of the party who was injured, who was suffering from an injured nose. No charge was ever made against me, and, notwithstanding the fact that I carried heavy insurance, the driver of the cab made no claim. Two outstanding lawyers who were riding with me talked at length with a policeman, and the occupants of the cab, and the following day the police requested me to swear to a warrant against the driver, which I refused to do.

No. 4: You state further "Before that he defended Representative Shoemaker, of Wisconsin, against charges of assaulting a taxicab driver. Shoemaker defaulted by failing to appear."

You know that this is deliberately false. Because of the fact that ex-Congressman Shoemaker represented the State of Minnesota, I presume that you thought you would make your story stronger by saying he was a Representative from Wisconsin, as I represent Wisconsin. The only case in which I ever represented Shoemaker he appeared in court, testified before a jury, and after hours of deliberation the jury disagreed. You know this to be a fact.

No. 5: You further state, "Back in 1919 CANNON defended Joe Jackson, of the Chicago White Sox, in the bribery scandals. Later Wisconsin disbarred him, then reinstated him."

Again you deliberately lie. I did not defend Joe Jackson in bribery scandals in 1919. I had no connection with that case whatsoever, and the record bears me out. I did represent Joe Jackson in 1922 in a civil action, in which he was the plaintiff and the Chicago American League Baseball Club were defendants. A jury of 12 men and women, after 6 weeks trial, returned a verdict of

\$19,000. Understand that this case was not prosecuted on the theory that Joe Jackson had no connection with the 1919 scandal, but upon the theory that in the spring following the scandal, Charles A. Comiskey, president and owner of the White Sox, caused Joe Jackson to be signed to a contract for a period of 3 years, well knowing, as the records show, Joe Jackson's participation with the so-called "scandal."

And when you say, "Later Wisconsin disbarred him", you again falsify, because I was merely temporarily suspended. You knew that the people of the State of Wisconsin were so incensed that the State legislature overwhelmingly, in an unprecedented procedure, restored my license, and shortly thereafter the supreme court of the State also restored it. You also know, or ought to have known, when you printed that article, that over 100,000 marched to the polls and cast their ballot for me for the highest judicial office in Wisconsin while I was still under suspension from the practice of law. Why didn't you give your readers these facts instead of studiously leaving a vicious and knowingly false inference?

Then, as conclusive proof of your gross carelessness in handling facts, along with the very same article you print a picture of another Member of the House of Representatives who has no connection with this matter whatsoever, showing him in the act of pouring a glass of beer, and giving him my name by printing "Representative CANNON" under the picture.

In the name of decency, how can you justify such willful economy on the truth? What chance has a public official when unscrupulous news writers send stories from Washington throughout the Nation, such as the one you published concerning me? I can conceive of one or two mistakes being made in the publishing of an article, but your entire story is less than 150 words, and yet you deliberately lied in every sentence.

Yours,

RAYMOND J. CANNON.

THE ECONOMIC REVOLUTION

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a copy of a speech I made recently.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SWEENEY. Mr. Speaker, under leave to extend my remarks in the RECORD I insert the following speech delivered by me May 8, 1935, at a meeting of the National Union for Social Justice at Cleveland, Ohio:

Mr. Chairman and distinguished guests, ladies, and gentlemen, to share this platform with the leader of the National Union for Social Justice and to be accorded the privilege of addressing this magnificent audience of American citizens is a signal honor.

Since the financial debacle of 1929—thanks to the voice from Royal Oak, Mich.—an intellectual ferment never before witnessed in the history of our Nation has been produced among the rank and file of our citizenry. In language simple and understandable indictments have been drawn against our decadent capitalistic system, which is responsible for our domestic ills. Remedies have been suggested, which in their proper application will prevent a recurrence of these artificially created panics, or depressions, which bring untold suffering and distress to millions of innocent victims. A call to arms has been sounded. Thanks to the militant leadership of Father Charles Coughlin, this meeting tonight is the second of a series in a movement to make articulate the voice of the American people—a voice long silenced into subjection by a small group of selfish financial barons, whose control over our monetary system has resulted in the concentration of wealth in the hands of a few, and whose domination, with few exceptions, over the affairs of our local, State, and National Governments has left the unorganized mass of our people in a virtual state of political slavery.

This movement sponsored by the National Union for Social Justice is comparable to the revolution of the early Colonists. On July 4, 1776, our immortal Declaration of Independence was promulgated. In protesting against the despotism of King George III, said the Congress:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness; that to secure these rights governments are instituted among men, deriving their just powers from the consent of the governed; that whenever any form of government becomes destructive of these ends it is the right of the people to alter or to abolish it, and to institute new government, laying its foundation on such principles and organizing its power in such form as to them shall seem most likely to effect their safety and happiness."

Physical force was the only weapon available to the Revolutionary forces to insure the establishment of an independent Republic on these shores. Today, thank God, it is not necessary to resort to bloody revolution to attain governmental reforms. We can, through the orderly process of evolution, by indulging in the right of assembly and petition, suggest to the lawmakers of our country remedies to alter or abolish the abuses that have almost destroyed our present capitalistic system.

We emphatically urge the retention of our constitutional form of government. We can in an orderly manner salvage what is good in our so-called "capitalistic system." Now, what do I mean by that? I mean a more equitable distribution of wealth; the opportunity for those who labor to secure a just and saving wage, not a mere living wage. An animal, a beast of the field, is insured through the bounty of nature a living wage. The opportunity to own a home, and have that home protected from the cruel process of foreclosures; the opportunity to send our children to the finest schools in the world and to secure therein the advantage for greater education; the opportunity to protect our beneficiaries by subscribing to life insurance in sound insurance companies; the opportunity to have our savings protected in sound financial institutions owned and supervised by the Government of the United States; and finally the stabilization of agriculture, industry, and commerce.

These remedies are embodied in the 16 principles enunciated by the National Union for Social Justice. These principles are our modern declaration of independence. They remain unchallenged by a hostile subsidized press. They are the antidote of communism, fascism, and dictatorship. The legislative program of our National Union for Social Justice is expounded to you tonight. We are determined not to be diverted from a militant course of action by the editorial comments or the billingsgate of newspapers or periodicals, who only express their master's viewpoint, and who are not disposed to release their strong hold on the wealth and resources of the Nation.

On March 4, this year, the second anniversary of the inaugural of Franklin D. Roosevelt as the thirty-second President of the United States, it was my privilege, on behalf of this organization, to introduce in the House of Representatives what is now known as the "Nye-Sweeney bill", a measure designed to create a central bank, which shall be known as the "Bank of the United States of America", and to restore to Congress its constitutional power to issue money and regulate the value thereof. On that occasion I read to the House, and I now read to you, an excerpt from a courageous address delivered by the distinguished President of the United States on the steps of the Nation's Capitol when he was sworn in as Commander in Chief of this great Nation:

"Yet our distress comes from no failure of substance. We are stricken by no plague of locusts. Nature still offers her bounty, and human efforts have multiplied it. Plenty is at our doorstep, but a generous use of it languishes in the very sight of the supply. Primarily this is because the rules of the exchange of mankind's goods have fallen through their own stubbornness and their own incompetence, have admitted their failure, and abdicated. Practices of the unscrupulous money changers stand indicted in the court of public opinion, rejected by the hearts and minds of men. The money changers have fled from their high seats in the temple of our civilization. We may now restore that temple to the ancient truths. The measure of the restoration lies in the extent to which we apply social values more noble than mere monetary profit. Finally, in our progress toward a resumption of work we require two safeguards against a return of the evils of the old order; there must be a strict supervision of all banking and credits and investments; there must be an end to speculation with other people's money; and there must be provision for an adequate but sound currency."

The Nye-Sweeney bill is designed to end speculation with other people's money. It is designed to provide an adequate and sound currency. It is designed to guard against the return of the evils of the old order, and it is designed to drive "the money changers from the temple of our civilization."

I recognize there is nothing mysterious about the question of money, which is the medium of exchange. We know that 90 percent of all currency is check-book currency or credit money, and not the produce of the mint or Treasury engraver.

In the creation of the Federal Reserve System of 1913 we witnessed an abdication of the power of Congress to issue money and regulate the value thereof, and vested this power in a 100-percent privately owned system.

The Nye-Sweeney bill would create a central bank, which would be a bank of issue and the sole fiscal agent of the Government of the United States, one which would be a central depository of the reserves of all the commercial banks of the United States. Through this measure we aim to establish a uniform system of paper currency in place of the seven types of paper money now in circulation, to wit, Federal Reserve notes, Federal Reserve bank notes, silver certificates, gold certificates, national-bank notes, Treasury notes (1890), United States notes. In this bill we built the principle of democracy in banking. We provide for a management by a board of 48, elected 1 from each State by the people thereof, and modeled after the Senate of the United States. This board will have as active managers an executive committee of seven, and it is contemplated to establish a branch bank of the central bank in every State of the Union.

Frankly, our objective is to break the concentrated power over money and banking which centers in the control of a little group of men in Wall Street. We provide that demand deposits have a 100-percent reserve behind them, thereby destroying the practice indulged by the Federal Reserve System of lending \$1,000 in credit money for every \$100 on deposit in currency.

The American public is no longer mystified by the operation of this unsound banking system. They realized in 1929, when the banks of this Nation boasted they had \$58,000,000,000 in deposits, that this was not money in the sense of currency; that the fifty-eight billion merely represented the right to withdraw fifty-

eight billion; that the fifty-eight billion never existed, for there was never a full billion dollars in actual currency in the banks of this Nation. We aim to stabilize the currency by the control, and the study of the statistical agencies in every branch of the Government, to insure that a dollar of our money, whether currency or credit, will represent from year to year and from generation to generation an equitable and stable buying power, freeing us from those periods of expansion and contraction, of inflation and deflation, such as the present, with their economic and financial destruction.

Time does not permit a more extended survey of this measure, and I yield to the speakers who are to follow. To this movement we ask you to dedicate every ounce of energy that you have. This organization constitutes a people's lobby speaking for those who have felt the lash of the depression, which is still with us, by exercising our constitutional right to urge the Congress of the United States to consider and place on the statute books the same legislative measure discussed here this evening to the end that our Government will be responsive to those who are the very background of its existence.

Many of us will be agreeably surprised if the controlled newspapers of the country even dignify, by publicizing, favorable comment of the activities of the National Union for Social Justice. On the contrary we may expect a torrent of abuse and criticism of this progressive movement. Bandits do not surrender voluntarily only when the strong arm of the law shut off escape do they submit to capture. From this night on the strong arm of public opinion will assert itself. Controlled political parties and political bosses cannot ignore the legitimate demands for governmental reform that come from millions of citizens in distress through no fault of their own. The privileged few have controlled in the past because they have a contempt for the intelligence of the average voter. Their motto has been the motto of King Louis XI of France "divide et impera" ("divide and govern").

Principles transcend party loyalty. Greed and selfishness will only disappear when the zeal for social justice becomes the course of our everyday existence. Cooperation and unity of purpose insures that objective.

THE INSTITUTE OF FOREST GENETICS, PLACERVILLE, CALIF.

Mr. ENGLEBRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on an item in the agricultural appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ENGLEBRIGHT. Mr. Speaker, on page 9 of the House Report of the Agriculture Department and Farm Credit Administration appropriation bill for the fiscal year 1936, just passed, under the title "Forest Management", is set out an appropriation of \$50,000 for the operation of the Institute of Forest Genetics, at Placerville, Calif., an existing institution heretofore maintained by private funds, which the Agriculture Department is acquiring.

On February 27, 1935, I appeared before the Appropriations Committee of the House of Representatives and urged that the Institute of Forest Genetics of Placerville, Calif., be taken over by the United States Department of Agriculture and in the future operated for the good of all of the people of this country. I am, therefore, happy to explain to the House the purpose of the \$50,000 that was included in the bill, which will be approximately the annual cost of maintaining the station, and the valuable results that will accrue therefrom by the Government taking over the institute. It is the only institute of its kind in the world and its location in the United States is of great value to our problem of reforestation.

The institute was first established in 1925 as the Eddy Tree Breeding Station, by James G. Eddy, of Seattle, Wash., whose family for three successive generations has been engaged in the lumbering industry in several parts of the country. Such a broad background gave Mr. Eddy a deep insight into the reforestation problem of the country and an appreciation of the need for increasing the growth rate of forest trees and the technical qualities of their wood. He realized how rapidly the Nation's timber supplies were being depleted and how inferior was the wood from the open stands to that obtained from old-growth timber.

Searching about for ways and means of improving the situation, Mr. Eddy besought the advice of his old friend Mr. Luther Burbank, the famous plant wizard, of Santa Rosa, Calif., as to what should be done. It was natural that out of their discussion came the thought that forest trees

might be improved even as Mr. Burbank had been able to improve potatoes, roses, and berry bushes. Just about this time Mr. Burbank had perfected a marvelously fast-growing walnut which yielded a heavy crop. The idea aroused much enthusiasm in the mind of Mr. Eddy, who saw that by breeding or crossing various forest trees it would be possible for him to do something really new in forestry and to accomplish something outstanding for the forest industries of the country. The more he studied the situation the more the idea appealed to him and the more certain he was that by applying the long-known principles of selection and breeding it would be possible to increase the yield and quality of forest products.

The urgent need for such studies was readily apparent to Mr. Eddy. He knew that there was in excess of 80,000,000 acres of forest land that had been denuded by fire and cutting, and that there were many million acres more of submarginal land available for forest planting. He realized, too, that the task of replanting such a large area was beyond the realm of possibilities in one person's lifetime. The land was ready for reforestation, but natural reforestation takes place slowly, and in the meanwhile communities suffered because the resources on which they had depended had been depleted. Millions of acres of potential forest land lay idle because the growth of plantations established with available species and strains yielded only a low return on the investment.

Mr. Eddy also knew that there was hardly a single field of forestry that did not have a real and urgent need for the results of genetical studies such as the proposed Institute of Forest Genetics would carry on. Because of inferior quality of woods available for many purposes the wood-using industries were more or less dissatisfied with the raw materials furnished by our present forests.

Mr. Eddy appreciated, also, that leaving inferior seed trees was probably reducing the quality growth of the forest. In forestry, as in animals, the poor mothers gave their inferior characteristics to their offspring, resulting in crooked and misshapen growth, knotty lumber, twisted grain, or even in wood of low strength. Young stands from poor seed trees probably resulted also in slow growth and in susceptibility to insects and disease. The young trees probably would not be very resistant to frost or to drought.

Then, too, in common with other men versed in forest lore, Mr. Eddy knew that the resin, tannin, and sugar yields from forest trees could be greatly improved by proper selection. With variations of 200 and 300 percent in the gum and tannin yield from adjoining trees in the same forest it should be possible to breed only the high-yielding trees so as to obtain a race of pines that would produce large quantities of resin of high value.

So, also, the needs were similarly great for figured wood for furniture and for veneers, for wood of outstanding durability, for wood that would withstand termite attacks or decay. Such a wide variety of needs for specialty products as well as for timber of great strength, lent Mr. Eddy the enthusiasm required to put his idea over.

Mr. Eddy, appreciating these problems and convinced not only of the potentialities in genetical research but also of its practical application, decided that the time was ripe for studies such as Mr. Burbank's, which had amazed the world. The financing of the studies he himself assumed, feeling that they merited a substantial portion of the earnings from his lumbering enterprises. He realized, furthermore, that ideally, genetical research with forest trees should be carried on simultaneously in all forest regions of the country.

Since the work was being privately financed, however, this was impossible. Therefore a careful research was made throughout the United States for a location with a climate that would meet the favorable climatic conditions of the country and a deep and uniform soil and adequate moisture supply. Such a location was found at Placerville, Calif., in the foothills of the Sierra Nevada Mountains. In addition to satisfying the exacting requirements this location had the added advantage in that within 50 miles of the institute's

headquarters climatic differences can be found equal to those obtained in a thousand miles of latitude. Here under ideal conditions Mr. Eddy established the Eddy tree breeding station in 1925.

In selecting the species on which to concentrate intensive work Mr. Eddy was confronted with a staggering number of species of trees. The United States alone boasts of over 200 tree species. From this bewildering number the pines were selected. They occur in all the forest regions of the country and represent about 40 species, of which nearly half are to be found in California. Furthermore, the pines are among the world's most valuable trees, because they furnish nearly half of the world's timber consumption.

Having decided on the field of work, the first step undertaken by the station was the collection of pine seed from all over the world. The entire Northern Hemisphere was searched for promising species. The aid of famous botanic gardens, such as those of New York, Madrid, and Moscow, was enlisted. Scientific organizations and societies gave willing help. The United States consuls joined in the quest for exotic species. India, Palestine, Spain, China, Guatemala, the Canary Islands—40 different countries in all—sent seeds of their native pines, and all of the forest regions of the United States. Seed was obtained from localities within the range of many species so that tests could be made of racial varieties.

During the first year of actual seed sowing, 58 species were to be found in the station's nursery. The second year the number had been increased to 87 species, and at the present time there are 100 distinct species of pines growing in the arboretum. This is by far the largest and most complete collection of growing pines to be found anywhere in the world.

After making every effort to grow and maintain the trees under uniform conditions, careful and complete records were started to cover every phase of growth of each tree from seed source, through nursery beds and field planting, to the final maturity. As the trees grow, records are to include the measurement of height, diameter, size, and extent of limbs, form, hardness to frost, flowering, fruiting, and so forth.

The work of the station, however, went much further than the mere collecting of interesting species, the establishment of an arboretum, and observations on the specimens grown. The primary purpose of the arboretum is to provide trees for further studies of hybridization and methods of selection. The very earliest work which the institute undertook along these lines has already yielded valuable results. So striking are the differences noted in vigor and habit of growth that it is apparent general application of even the elementary principles of seed selection will be of incalculable value in the Nation's reforestation program. Progeny of certain individual trees have been found to grow so much more rapidly than the average that it is safe to predict substantial reductions in the growing time of a planted forest as the result of scientific selection of seed sources. Vigorous trees located through the progeny tests provide a seed source of immediate value, and to provide superior seed in large quantities for future reforestation. Plantations of rapid-growing strains will be established in localities where there is no danger of pollination from unselected trees. Hybrids between the fast-growing but tender Monterey pine and the slower-growing but hardy knobcone pine show a great improvement in frost hardness with but a slight loss in growth rate.

Another contribution of early work on hybridization is the knowledge of age of flowering and fruiting. It has commonly been supposed that pines did not bear fertile flowers and seeds until 15 or 20 years old. At the institute, however, Japanese red pines bore fertile seed at 2 years of age. Trees from these seeds are now growing in the arboretum. With such early fruiting it will be entirely possible to reduce by many years the time required in hybrid studies. Once the hybrids have been developed, plantations to be used as sources of seed will be established in locations where cross pollination from other trees is impossible.

While experimental work and the search for fast-growing hybrids and exotics goes on, another phase fully as important is in progress. This is the work dealing with selected parent and progeny tests. For these studies the ponderosa pine of the Western States was selected for first attention. Seed has been collected from carefully measured and described trees. Seedlings grown in nurseries from this pedigreed seed are carefully measured and the growth rates compared. One such test included seeds from 765 individual trees in 12 States. Even in the nurseries, when the seedlings were only 2 years old, great differences were observable. Growth rate of the progeny appears to be linked not only with racial strain of parent but also with the site quality where the parent trees were grown. The hereditary vigor of seedlings from seeds collected on the best sites was 71 percent greater than that of seedlings whose parents grew on poor sites. The results of these studies are of immediate value in indicating desirable sources of seed to be used in reforestation. They have a very great value furthermore in locating the best parents for hybridization work with native forest-grown trees.

At first there were those who, not having a knowledge of the forestry needs of the Nation or a vision of what could be accomplished, did not believe in such an ambitious undertaking as that Mr. Eddy was sponsoring. Some of his friends ridiculed the idea that forest trees could be bettered, that faster growth could be obtained, that better quality wood could be produced through tree breeding. Gradually the criticism gave way to wonder as the work gave promise of new things, of new developments. Foresters and scientists throughout America and from abroad heard of the work and many visitors found their way into Placerville.

Now visitors find a nursery with thousands of little trees, mostly pines, growing in rows. Some are tall, some short, some are stiff and straight, others weak and bushy. There were crossings between the valuable yellow pine or ponderosa pine of the Sierras with the rapid-growing slash pine, the world-famous naval-stores producing tree of Florida. There were crosses between the Monterey pine of the Santa Cruz Mountains with the stout pitch pine of the New Jersey sand plains. Other crosses there are between Asiatic, European, and American forest trees. Some of these crosses produce trees that grow far more rapidly than either parent, and some may produce gums and resins that may revolutionize American uses of these products.

The outstanding results and the potential value of the station made it necessary for Mr. Eddy to obtain outside help. To obtain the best scientific guidance and advice, to procure the best assistance, and to enlist the greatest possible support from scientists and laymen alike, he decided to expand the work on an even greater scale. Consequently, a national board of trustees was selected, and the name changed from the Eddy Tree Breeding Station to the Institute of Forest Genetics. To this board of trustees Mr. Eddy unselfishly gave up all rights he might have in the station, so that it would have full opportunity to develop along the most approved lines and with the utmost freedom. Furthermore, Mr. Eddy continued to give of his resources for its continuance. The soundness of the institute's program and the breadth of interest in the work is attested by the national prominence and the diversity of interest of the outstanding public-spirited citizens who accepted places on the board. These men are listed as follows:

Walter Mulford, professor of forestry and head of the division of forestry, University of California; past president Society of American Foresters, Berkeley, Calif.

Swift Berry, manager Michigan-California Lumber Co.; member of the California State Board of Forestry, Camino, Eldorado County, Calif.

Lloyd Austin, director Institute of Forest Genetics, Placerville, Eldorado County, Calif.

Donzel Stoney, manager Title Insurance & Guaranty Co., San Francisco, Calif.

Dr. Earle H. Clapp, in charge branch of research, United States Forest Service, Washington, D. C.

Dr. William Crocker, director Boyce Thompson Institute for Plant Research, Yonkers, N. Y.

Ralph S. Hosmer, professor of forestry and head of the department of forestry, Cornell University; past president Society of American Foresters, Ithaca, N. Y.

James G. Eddy, lumberman, founder of the Institute of Forest Genetics, Seattle, Wash.

Dr. David Fairchild, president American Genetic Association, plant explorer, author, Coconut Grove, Fla.

H. S. Gilman, manager San Dimas Water Co., member of the California State Board of Forestry, San Dimas, Calif.

Col. William B. Greeley, secretary-manager West Coast Lumbermen's Association; Chief Forester, United States Forest Service, 1920-28, Seattle, Wash.

Dr. Donald Forsha Jones, geneticist, Connecticut Agricultural Experiment Station; editor Genetics, New Haven, Conn.

James A. Irving, president Placerville Fruit Growers' Association; secretary California Fruit Exchange, Placerville, Eldorado County, Calif.

A. Stanwood Murphy, president Pacific Lumber Co., San Francisco, Calif.

Walter A. Starr, Edward L. Eyre & Co.; council member Save-the-Redwoods League, San Francisco, Calif.

Dr. Robert E. Swain, acting president Stanford University, Stanford University, Calif.

Don Tresidder, president Yosemite Park & Curry Co., Yosemite National Park, Calif.

Dr. Thomas Hunt Morgan, president California Institute of Technology, Pasadena, Calif.

The trustees of the institute have announced their willingness to turn the institute over to the Federal Government for continuance. It is their feeling that this work, which is long time in character and for broad public benefit, should be maintained by the Federal Government. They, as well as Mr. Eddy, have announced their willingness to give the property, buildings, and other improvements, as well as all their rights, to the United States. Such a gift, valued at least at \$250,000, gives to the Nation an unparalleled opportunity to avail itself of a research institution with unlimited possibilities and potentialities in a new field of forestry endeavor.

As a Federal undertaking, it will be possible to unify the work in forest genetics and to correlate and coordinate activities so as to prevent overlapping or duplication of effort.

The work is truly national in scope and will return a thousandfold the amount required annually to maintain it. The results will enhance the economic desirability of reforestation and sustained yield management and will make for stabilization of industries and communities.

The taking over of the Institute of Forest Genetics of Placerville, Calif., by the Federal Government, and the provision for appropriations to carry on the work is an important step in this Nation's program of reforestation.

JOHN MARSHALL, JURIST AND STATESMAN

Mr. MONTAGUE. Mr. Speaker, I ask unanimous consent to insert as a part of my remarks a speech by the Honorable James M. Beck, a former Member of this House and former Solicitor General of the United States, delivered at a memorial on the one-hundredth anniversary of the death of John Marshall at Richmond, Va., under the auspices of the Richmond Bar Association, the Virginia Historical Society, and the Association for the Preservation of Virginia Antiquities, at Richmond, Va., May 11, 1935. Accompanying this speech is an estimate from the Public Printer as to the cost to print it as required by the rules of the Joint Committee on Printing.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MONTAGUE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address delivered at the memorial exercises, commemorating the one hundredth anniversary of the death of Chief Justice John Marshall, held under the auspices of the Richmond Bar Association, the Virginia Historical Society, and the Association for the Pres-

ervation of Virginia Antiquities, at Richmond, Va., May 11, 1935, by Hon. James M. Beck, former Solicitor General of the United States, as follows:

We are met today, my fellow citizens, to honor the memory of a very great man. One hundred years ago at Mrs. Crim's boarding house at Fifth and Walnut Streets, Philadelphia, an old man, as full of years as honors, was slowly dying. Years before he had experienced that compensation of long life, of which Prince Bismarck once said that it makes one "indifferent to hatred, insult, and calumny, while one's capacity for good will and love is increased." It did not need the winter of age to give John Marshall this noble serenity of mind, for throughout his long and illustrious career he had been sustained by that conscious integrity of purpose, which made him indifferent to either the censure or praise of his fellowmen.

His mind was clear in those last days, and we can well believe that with mental vigor unimpaired to the very last, he spent the weary days of his last illness in thinking of the past. It is probable that his mind dwelt but little upon his last 35 years, in which he had been the storm center of passionate strife, for the memories of old men generally recur to the events of earlier years. That which met his eye as he looked out of the window of his Walnut Street room would in itself tend to recall the heroic memories of the epic period of America.

Across Independence Square he could see the belfry of the State House, now called "Independence Hall", from which, as from Pharos, the light of liberty had shone to the uttermost parts of the world. From hour to hour he would hear the solemn sounds of the bell in the tower, a bell already sacred to America, for from the very moment of its casting in 1752 it had been a sonorous prophecy of America's destiny. The bell had been cast in England, but the city fathers of Philadelphia had requested the makers to put upon the bell the historic message, "Proclaim liberty throughout the land and unto all the inhabitants thereof." Nobly it had fulfilled that mission, for it had announced the coming of the First and Second Continental Congresses and had sent forth a pean of triumph when the Declaration of Independence was first read to the people. As post riders brought the sad intelligence of the early defeats of Washington's untrained army, the bell would mourn the dead who had fallen in battle, and later sound a note of triumph when the news of Washington's victories at Monmouth and Yorktown came to the historic Capital.

As the dying Marshall witnessed the sun setting in the direction of Valley Forge he must have thought of that dreadful winter in whose privations he had shared when the few soldiers who remained in Washington's army stained the new-fallen snow with the blood of their naked feet. Marshall must have thought, in those last days, of the great leader who had held together the little remnant of the Continental Army at Valley Forge, and whose courage and self-sacrificing devotion to his Nation had left so deep an impression upon Marshall's character.

We cannot doubt that Marshall's mind in those last days went back to his well-loved Virginia, the mother of superlatively great sons, where he desired his remains to rest forever. He was the child of its frontier. His education had been very limited. He had lived close to the heart of nature and its simplicity had formed his character. The dying Marshall in Philadelphia was not among strangers. Much of his life had been spent in Philadelphia, and there he was held in the highest honor. He had fought beyond its gates at Germantown and Brandywine, had seen the sun which set at Valley Forge in dark clouds rise resplendent on the wooded vales of Monmouth. Later he had served as a Member of the First Congress, when the historic city was the Capital of the Nation.

From Philadelphia he had gone to France, and had met the corrupt demands of its government by vindicating the dignity of the infant Republic in the policy of "millions for defense but not one cent for tribute." In Philadelphia he had been received with general acclaim on his return from France. No two cities can have a greater claim to the enduring reputation of John Marshall than Richmond and Philadelphia, and this circumstance may give some propriety to my selection as the speaker of this occasion—an honor of which I am duly sensible—for I am a Philadelphian and proud of my membership in its historic bar, which honored him when he died, accompanied his remains to Richmond and initiated the movement for the erection of a statue in Washington to commemorate his services. A commission was given to William Wetmore Story, an eminent sculptor, who by a happy coincidence was the son of that Justice Story who was Marshall's great yoke-fellow in the Supreme Court. It was my privilege, in turn, to present to the city of Philadelphia a replica of that statue. I mention the fact because one other replica of that statue should be made and presented by the Congress of the United States to the city of Richmond.

In Philadelphia John Marshall died, and 2 days later, with all the pomp and ceremony that truly attends the passing of a hero, his body was borne from his temporary home to Richmond.

"For his passage

The soldiers' music and the rites of war
Spoke loudly for him."

Then followed an incident of epic beauty. The Historic Liberty Bell tolled the passage of the body to Market Street wharf, and having rendered this last and sacred service, suddenly became silent forever. A great rift took place in its iron side. Its eloquent voice ended with that of Marshall.

Those last solemn notes marked not only the passing of Marshall but also the end of a great and heroic era. While a few of the great actors in the drama of American independence still survived, for example, Charles Carroll, of Carrollton, and James Madison, yet with the passing of Marshall an era ended which had begun with the founding in 1607 of representative government in Virginia. Thus the death of Marshall measured a period of 228 years, during which the American Commonwealth had been molded by successive generations of Americans in the free spirit of the pioneer. This formative period had its climax when the ablest men of the Colonies met in Philadelphia to attempt the unprecedented task of drafting a comprehensive form of government of a type theretofore unknown in history. It was not enough for the master architects to provide the ground plan for the majestic edifice of constitutional liberty, which the genius of the American people was to erect. It was John Marshall's great privilege to supervise the erection of the superstructure in accordance with the plans of the master builders, and when he had completed this task by his masterful interpretations of the Constitution in his service of 34 years as Chief Justice of the United States, the task of constructing "an indissoluble union of indestructible States" had been completed, let us hope and pray, for all time. Of that era it may be said that few nobler dramas have ever been enacted "upon the stage of this wide and universal theater of man."

Who can deny the great part that was enacted in that drama by the sons of Virginia? Let us remember that the Elizabethan era was the climax to that mighty cultural movement that is known as the "Renaissance", and Virginia was the last, but not the least, development of that epoch. I have said elsewhere, and now repeat, that it is an unfortunate error to regard the birthday of our Nation as July 4, 1776. Thereby we gained a new status and a new name, but the American Commonwealth began with the first settlement in Virginia, and was thus born of the "spacious days of Queen Elizabeth", after whom this Commonwealth was named. Its early sons were contemporaries of Marlowe and Shakespeare, of Coke and Bacon, of Sydney and Jonson, of Drake and Frobisher, of Raleigh and Sandys, of Pembroke and Southampton. Small as Virginia was, and limited as were its cultural resources, what infant Commonwealth in a like period of time, and in the field of government, ever gave birth to so many great men? Thomas Jefferson and Patrick Henry, John Marshall and James Madison, James Monroe and Edmund Randolph, George Mason and Richard Henry Lee, and last and greatest, that noble son, whose reputation overtops all Americans, and who is one of the supreme immortals of history, George Washington. While any prediction as to the illimitable future is generally hazardous, it is probable and possibly certain that in the field of leadership no American will ever surpass George Washington, and that in the field of law no judge will ever rival the fame of John Marshall.

Let us consider briefly and necessarily inadequately the significance of John Marshall's work. It is given to few men to rise so high above the clouds of controversy that in a later time only praise is spoken of him. As in the case of Washington, Marshall is so supremely great in his chosen field of activity that all balanced criticism becomes difficult. But if he could guide us in our deliberations today, his love of truth would say, with Othello:

"Speak of me as I am, nothing extenuate
Nor set down aught in malice."

All Americans today praise Marshall, and this blinds us to the fact that it was not so when he was among the living. Today men think of him as having, in his tenure of office, sat in serene and unclouded skies, as upon some mountain peak, below whose summit were the clouds of passionate strife, which touched him not. The fact is that from the beginning of his work as Chief Justice to the very end he was the storm center of as bitter and passionate a political struggle as ever enveloped any judge. Almost his first judicial act provoked a storm of bitter criticism, which raged throughout the whole period of his service, and 34 years later his last days upon the bench witnessed a humiliation when Georgia refused to appear at the bar of his Court in obedience to its summons, and subsequently refused to comply with a decree which the Court had entered.

Nor was Georgia, in this recalcitrance, without sympathy in high places, for the then President of the United States, Andrew Jackson, sarcastically said, "John Marshall has entered his decree. Now let him enforce it." The decree was never enforced, and at the time the prestige of the Supreme Court seemed to be so fatally shattered that John Marshall not only felt that its moral authority was gone but that the existence of the Union itself was in peril.

Writing in 1832 to Story, who then doubted the perpetuity of the Constitution, Marshall said:

"If the prospects of our country inspire you with gloom, how do you think a man must be affected who partakes of all your opinions and whose geographical position enables him to see a great deal that is concealed from you? I yield slowly and reluctantly to the conviction that our Constitution cannot last. Our opinions are incompatible with a united government, even among ourselves. The Union has been preserved thus far by miracles. I fear they cannot continue."

These words may be profitably recalled by those Americans, of whom I unhappily am one, who today share the same doubts, but the Constitution did survive the crisis of 1832. While this is largely due to Marshall, yet it also owes much to Andrew Jackson.

No Chief Justice of the United States has ever been assailed as bitterly as was John Marshall, and yet when he died, friend and

foe, almost without exception, united in a tribute of praise to a courageous and incorruptible judge. Throughout all these stormy years John Marshall serenely pursued the even tenor of his ways. He had able associates, and yet he was the very soul of the Court. He rendered decision after decision which gravely challenged the constitutional theories of the great political party which was then almost continuously in power. I know no finer illustration of the noble lines of the poet, Horace, when he describes so eloquently the just man, and concludes:

"The man, in conscious virtue bold
Who dares his secret purpose hold
Unshaken hears the crowds' tumultuous cries
And the impetuous tyrant's angry brow defies.
Let the loud winds, that rule the seas
Tempestuous their wild horrors raise,
Let Jove's dread arm with thunder rend the spheres
Beneath the crash of worlds undaunted he appears."

It is a mistake to suppose that Marshall's opponents were in all respects wrong, and the truth of history justifies the statement that the attacks upon the Supreme Court in Marshall's time were partly attributable to an initial error of the Supreme Court. This is so rarely recognized that it justifies an explanation.

Before Marshall became Chief Justice he was the Secretary of State in the administration of John Adams. That administration had been signally repudiated by the American people. The dying Federalist Party, in which the influence of John Marshall was dominant, resorted to the expedient, which does not admit of justification, of creating a large number of Federal judges with a life tenure, and in the last hours of the Adams administration filling them with avowed Federalists to intrench that party in one branch of the Government. Undoubtedly the despondent followers of Adams and Hamilton sincerely but mistakenly believed that the party of Thomas Jefferson intended to destroy the Constitution, and with high but mistaken motives the Federalists determined to construct in defense of the Constitution a line of impregnable defense in the judiciary. From the calmer standpoint of a later age, we can now see that such an action, whatever its motive, did not accord with the spirit of a democracy.

This coup d'etat—and it was scarcely less—had resulted in acute irritation between the incoming and the outgoing administrations. It involved Marshall, who, as Secretary of State, had signed the commissions of the so-called "midnight judges." Hardly had he taken his seat as Chief Justice when a phase of this bitter controversy came before his Court in the famous case of *Marbury v. Madison*, and the Supreme Court after deciding that *Marbury* was entitled to the office, although his commission had not been delivered to him, then proceeded to hold that it was without jurisdiction in that proceeding thus to adjudge the merits of the controversy. The resentment of Jefferson and his followers at this decision was not due to the fact that the Supreme Court thus firmly established its power to disregard a statute, if inconsistent with the Constitution, but was largely animated by the fact that the Court passed upon the merits of the case in which it admitted it had no jurisdiction and thus gave an implied sanction to the policy of the Adams administration in creating, in its closing days, a number of Federal judgeships, and then hastily filling them with appointees of the Federalist Party.

The party of Jefferson was not without some justification in its bitter attacks upon this political coup d'etat, and while the decision of the constitutional question may have saved the Constitution, yet it was unfortunate in that it temporarily compromised the reputation of the Court as a nonpartisan body. Never again did Marshall commit a like error, and its only justification lies in his honest purpose to preserve the Constitution against the excesses of democracy, of which he honestly believed the new administration would be guilty. His fears in this respect were as groundless as were the fears of his political opponents that the Federal judiciary would obstruct the will of the people.

Time, the great justicer, will give a just judgment as to the comparative merits of the two great protagonists, and if its final verdict can be anticipated, it will be that neither was wholly right nor wholly wrong. They were the positive and the negative poles of the Republic's formative period, and these counteracting influences are as necessary in the realm of government as in that of physics. In our political judgments we should always remember the conciliatory words of Thomas Jefferson, in his first inauguration:

"Every difference of opinion is not a difference of principle. We are all Republicans; we are all Federalists."

In this memorable dual between Marshall and Jefferson, great allowance must be made for both protagonists, for this was the formative period of the Republic, and until the new edifice had firmly settled upon its foundations, it was inevitable that there would be acute differences of feeling, as novel questions arose, which would betray both parties to the controversy into temporary errors. Let us not forget that the Constitution of the United States was then a great and an unprecedented experiment, and that the collision of antagonistic theories was inevitable. Indeed the amazing success of the American Constitution is due to the fact that there was this conflict of views, which lessened the danger of extremes in any direction.

In the field of government, as in mechanics, there is always a centripetal and a centrifugal tendency. The real problem, both of mechanics and government, is to coordinate them. It is the greatest merit of the American Constitution that above every other political frame of government, it did coordinate the two tendencies. The real doubt in the minds of the founders was

whether the American people would have sufficient genius to carry out the theory of a dual form of government.

This gave rise to two schools of thought.

On the one hand Patrick Henry, Thomas Jefferson, and later James Madison believed that in the practical working of the Government the centripetal tendency would be so powerful that sooner or later the Central Government would absorb the States. We commonly think of Patrick Henry as only an orator, but his masterful argument in the Virginia ratifying convention clearly foresaw the ever-increasing centralization of the last half century, and his fears were emphasized by Jefferson and Madison.

On the other hand, Washington and Hamilton were fearful that the centrifugal tendency in proud and self-conscious States would be so great that sooner or later the Central Government would disintegrate and become as impotent as the old Confederation. In their own day their fears were justified.

The distinguishing merit of John Marshall as Chief Justice was that he, more than any other American, coordinated these conflicting tendencies. If he asserted in one opinion the authority of the Central Government, he asserted, with equal force, the rights of the States.

Today there is no centrifugal tendency to coordinate the centripetal tendency due in large part to a mechanical civilization. The two historic parties vie with each other in centralizing the Government, with the result that the centripetal tendency has largely destroyed the centrifugal, and we have today in fact, although not in theory, a portentous approach to a totalitarian socialistic state.

The justification of any man or party must be measured in part by the immediate necessities of the times. In Marshall's day the mind of America had not yet been either adapted to or reconciled with the idea of a central government. It required the deliberation of nearly 4 months to induce the Constitutional Convention to create a central government which, within its carefully prescribed sphere, would be a nation and not a league of states. The Convention was so largely a compromise that on its last day few members were disposed to sign, as individuals, the draft of the Constitution which was to be submitted to the people. The process of ratification required over a year, and the requisite consent of the nine States was secured with the very greatest difficulty, and in some States only by dubious methods. The people were still jealous, as they had always been, of any central power, and when the Constitution was finally adopted it became a vital necessity, if it were to survive, that the Supreme Court should give to the grants of power a reasonably liberal construction.

This was the sublime task of John Marshall. Largely due to his influence, the Supreme Court, in a long series of pioneer decisions, welded together the discordant States into the "indissoluble Union of Indestructible States." To do this required something more than a knowledge of the law. Statesmanship of the highest order was imperatively necessary, and above all it required the prestige of an incorruptible and impartial judiciary. While Marshall's first great decision had temporarily compromised this reputation, yet his calm reasoning, his well-balanced judgment, and the acknowledged rectitude of his character soon overcame the temporary prejudice, and by sheer force of reasoning his interpretation finally triumphed; but in acknowledging this triumph a later generation should recognize that Marshall's opponents were also justified in their apprehension that the words of the Constitution, if too liberally construed, could be destructive of the rights of the States.

Each party to this great controversy over constitutional rights therefore rendered a service to the Nation in its formative stage. The fears which Patrick Henry, Thomas Jefferson, and James Madison had in respect to the undue development of Federal power have had their fullest vindication in the realities of the last 50 years.

Marshall's great decisions, now so universally applauded, owed much, not merely to the arguments of Webster and Wirt, Pinkney and Blinney, but also to the watchful vigilance of Jefferson and Madison, who, by criticism and opposition, prevented in their day an excessive development of Federal power. I rejoice that the spirit of these two Virginians is today animating the two Senators from Virginia, who in this era of unprecedented centralization have old-fashioned but true ideas as to the rights of the States.

Marshall was the great advocate of the doctrine, subsequently emphasized by Webster, that the United States was created by the people of the United States and not by the States in their then sovereign capacity. He based this upon the language of the preamble, which says that "We, the people of the United States, . . . do ordain and establish this Constitution for the United States of America."

In considering this theory it must always be remembered that he did not have the advantage that we have of Madison's Debates, which gives the reason for this language. But while this may have been a false premise to some of his reasoning, yet it was Marshall who said, in *McCulloch v. Maryland*:

"No political dreamer was ever wild enough to think of breaking down the lines which separate the States and of compounding the American people into one common mass."

Here again was an excusable mistake in history, for if he had been privileged to read the then unpublished records of the Constitutional Convention, he would have seen that Alexander Hamilton did propose that the States should be "extinguished", although he fully recognized that public opinion was not ready for such consolidation.

If Marshall were alive today he would find that in the matter of trade and industry there are not only "political dreamers", confused by the nightmare of the present economic depression, but even responsible statesmen, who would break "down the lines which separate the States" and "compound the American people into one common mass." The Supreme Court will not, I believe, sanction such consolidation.

If John Marshall was a great jurist, he was an even greater statesman. The essence of a statesman is to have that vision, without which it is said on ancient authority that a people will perish. Marshall wrote nearly all of his opinions in the last period of the pastoral-agricultural life of mankind. While the steamship was then beginning to pass as a shuttle between the nations, the railroad was only in its infancy, and gave little assurance of its future dominating influence in civilization. Under these circumstances the Chief Justice in that era of the wheelbarrow and the stagecoach might have given a narrow definition to that interstate commerce which Congress was empowered to regulate. In his wonderful opinion in *Gibbons v. Ogden*, possibly the greatest of his decisions, Marshall saw the future of our civilization as few men of his generation. He gave to the term "commerce" a definition which "time cannot wither nor custom stale." He seemed to see the future as from a mountain peak. That definition still stands, for only last Monday the Supreme Court, in the Railroad Retirement Case, took occasion to reiterate the doctrine of Marshall in the following words:

"The Federal Government is one of enumerated powers; those not delegated to the United States by the Constitution nor prohibited by it to the States are reserved to the States or to the people."

Today too many seem to forget this fundamental doctrine, and no one would be more amazed than John Marshall, if he were here today, at some interpretations by the Congress of its powers over interstate commerce, which assert a right to control within the States even the minutiae of production. This great decision of last Monday is a visible reminder that the Constitution, like some Alpine peak, may be obscured for a time by the clouds, but still stands upon its foundation of eternal granite.

The strength of the judiciary has been and will ever be in its continuing power. Presidents come and go, parties organize and dissolve, social and economic conditions change, but the Supreme Court remains a constant factor. As I ventured to say in my book, *The Constitution of the United States*:

"Like the ocean, the political life of the American Republic is at times placid, with hardly a ripple upon its surface, and then the furious storms of discontent lash the waters into violent and angry seas. But always the Supreme Court stands as a great lighthouse, and even when the waves beat upon it with terrific violence (as in the Civil War, when it was shaken to its very foundation), yet after they have spent their fury, the great lamp of the Constitution—as that of another Pharos—illuminates the troubled surface of the waters with the benignant rays of those immutable principles of liberty and justice, which alone can make a nation free as well as strong."

No institution of our Government has better survived the ordeal of democratic government. None has awakened more the curiosity and admiration of enlightened publicists of all nations. When I was invited to address the Bench and Bar of France in the Cour de Cassation (the highest court of France), and asked upon what feature of the Constitution they wished me to speak, the prompt answer was "the Supreme Court of the United States", and when my book on the Constitution was translated into German, the Chief Justice of the German Republic, who wrote the introduction to the German edition, recorded as his deliberate conviction that the Weimar Constitution of the German Republic would not endure unless the Supreme Court of Germany were given the same power in preserving the Constitution that the Supreme Court of the United States enjoys. This produced a storm of controversy between German jurists, some preferring the English plan of the omnipotence of Parliament and others endorsing the view of Chief Justice Simon as to the advantage of the United States Constitution in making the Supreme Court the political conscience of the Nation in matters of constitutionality. Unfortunately the Weimar Constitution, otherwise an admirable document, made no such provision for the German Republic, and it perished when Hitler destroyed both the legislative and the judicial power.

While the construction of the Constitution was not in some respects difficult, in view of the admirable clarity of its provisions, yet it was necessary to apply it to a country whose rapid growth is one of the wonders of history. Conflicting sectional interests must be reconciled, and the task of harmonizing Federal supremacy within its sphere with the reserved rights of the States was a difficult and unprecedented task. Marshall and his great associates were treading unbeaten paths. It required the genius of a Marshall to do this in a manner that would be acceptable to a people, whose genius was that of democracy, and his supreme achievement is that he did so in a manner that was enduring. This does not mean that all his decisions have stood the test of time. To say that would be mere flattery of the dead. His great decision in the Dartmouth College case has required necessary modifications in later times.

An examination of Marshall's opinions would superficially indicate that all his decisions were in the direction of an extension of Federal power, and this is partly true, but it must be remembered that Marshall also prescribed limitations. For example, take the great case of *Brown v. Maryland*, where the Chief Justice held that no State can forbid the introduction from another

State of a harmless commodity of commerce in its original package. This was a considerable amplification of the commerce power, but the decision carried with it the necessary implication that before the commodity moved from State to State, the State was within its reserved rights in controlling its production, and that after the imported article had been merged into the mass of domestic commerce by the sale of the original package, then the State had full power in respect to its future use or distribution. Thus Marshall recognized the rights both of the States and of the Federal Government, and the same can be said of many of his decisions, which, in applying the Constitution to the ever-changing economic conditions of America, drew a line of demarcation between Federal and State power.

The judicial spirit in which Marshall interpreted the Constitution was well stated by him in his conduct of the trial of Aaron Burr in this historic city:

"That this Court dares not usurp power is most true. That this Court dares not shrink from its duty is not less true. No man is desirous of becoming the peculiar subject of calumny. No man, might he let the bitter cup pass from him without self-reproach, would drain it to the bottom."

Certainly Marshall never hesitated between these dread alternatives. Whatever else may be said of his decisions, none was ever inspired by fear.

To quote the tribute of a great President of recent times, "Marshall found the Constitution paper and made it power. He found it a skeleton and clothed it with flesh and blood."

By common consent he is the great expounder of the Constitution.

He was not a highly educated man. A child of the frontier, he had had little scholastic education. He did become an active practitioner at the Virginia bar, but his experience as a lawyer could not have been great, measured by the standards of today. His genius was rather that of common sense than of pedantic learning.

He recognized that a written Constitution, no matter how great its clarity, could not be effective for a great and growing people without the power of reasonable interpretation. Long before Justice Holmes said that "language is but the skin of thought", Marshall had said, in *McCulloch v. Maryland*:

"Such is the character of human language that no word conveys to the mind in all situations one single definite idea."

He therefore recognized, to quote his own words, that if the Constitution was "intended to endure for ages to come" it must "be adapted to the various crises of human affairs."

Those who would reason away the essential meaning of the Constitution by resort to Marshall's use of the word "adapted"—and today there are many—should realize that the whole tenor of Marshall's decisions clearly indicate that by the word "adapted" he meant applied. He was discussing the doctrine of implied powers, the existence of which he recognized as necessary if the Constitution were to be more, as he said, than "a splendid bauble." For all time he defined the justification of implied powers when he said:

"Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited but consist with the letter and spirit of the Constitution, are constitutional."

No one has or can add to that definition, but in these later days it is often perverted to justify the contention that whatever the Congress may regard as for the "general welfare" is, for that reason, within "the letter and spirit of the Constitution." Such extremists forget that any implied power must, according to Marshall, "be within the scope of the Constitution", must be "plainly adapted" and not "prohibited", and surely nothing can be within such scope when it either invades the reserved rights of the States or of the people.

Marshall may have been fortunate in the fact that he acquired his knowledge more from events than from books. Education can confuse as well as enlighten. Certainly modern education tends to dissipate the human mind over too many subjects, most of which are unimportant. Great men have generally been men of simple ideas and those derived from the realities of life rather than from the theories of book men. Franklin, Washington, Marshall, and Lincoln—possibly the four greatest intellectual leaders of the American people—all graduated in that best of schools, "the university of realities."

This may partly account for his political philosophy. Unquestionably Marshall, like Washington, was a Federalist. Neither overphilosophized on the subject of political government, but their military service had taught them, in the most realistic way, the evils of a mere league of states, where under the impotent Articles of Confederation the central government had merely influence, and, as Washington tersely said, "Influence is not government."

The bitter sufferings of Washington's army, and the unnecessary prolongation of the war, deeply impressed upon both Washington and Marshall that while a central government should have a limited field of power, yet within that field its power should be plenary and binding. Unquestionably this conviction, born of bitter experience, profoundly influenced the decisions of Chief Justice Marshall, whose dominant purpose was to weld the States into an efficient union through the Constitution.

We read his opinions as masterful oracles of the law, but, while their reasoning is forceful, yet in the most important cases the questions were, in the last analysis, not difficult, and he had the advantage of construing the virgin text of the Constitution. Madison's Debates had not then appeared, and little was known of the proceedings in the Constitutional Convention. Nor was he overwhelmed by a host of commentaries and by a great volume of

opinions of the Supreme Court on constitutional questions, through which, as through overlaying strata, lawyers today dig down to reach the textual foundations of the Constitution. With him, the questions were of first impression, and such questions are often easier than those which have been confused by countless commentaries. Dr. Samuel Johnson once advised the student of Shakespeare to read the text of Shakespeare and disregard all that the commentators had said, and there was some force in the suggestion.

Marshall's amazing industry was such that of the 1,215 cases which the Court decided in his period of service he wrote the opinions in 519, and he wrote more than one-half of all its opinions which involved the construction of the Constitution.

The great merit of his decisions is in their perfect harmony, like that of a Greek temple.

Marshall's unquestioned triumph may not be due so much to his intellectual attainments, although they were great, but to the influence of his character. If he had been a corrupt, designing, or even an ambitious Judge, seeking either popularity on the one hand or political power on the other, his decisions would not have had the same weight; but the years of his long service marked a steady progress in the faith of the American people, without respect to party, in the absolute integrity of his mind. Men of his day might disagree with John Marshall, but they soon learned that his motives were beyond reproach. In his right hand he carried "gentle peace to silence envious tongues." Never in judicial history has there been a greater triumph of rectitude of purpose and action, and this again explains why, after 35 years of bitter controversy, when political passions ran far higher than they do today, the American people believed in John Marshall and accepted his interpretations of the Constitution.

What remains to be said? In his last illness Marshall knew that the end was near, and with a life void of reproach and with a conscious pride that he had been privileged to serve, not only his day and generation but the illimitable future of America, he met his end, not merely with the courage of a stoic, but with the faith of a Christian. It was the end which Bunyan so beautifully describes of Mr. Vallant-for-Truth, and such was John Marshall, and we can apply to him Bunyan's simple but noble narrative of the passing of his hero.

He called for his friends and told them of it. Then said he:

"I am going to my Father's, and though with great difficulty I have got hither, yet now I do not repent me of all the trouble I have been at to arrive where I am. My sword I give to him that shall succeed me in my pilgrimage. My marks and scars I carry with me to be a witness for me that I have fought His battles. Who will now be my rewarder. * * * So he passed over, and all the trumpets sounded for him on the other side."

The trumpet of immortal fame has sounded for Marshall, since he died a hundred years ago, and will proclaim his praise to succeeding generations as long as the Republic endures.

PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes tomorrow immediately after the reading of the Journal and the disposition of business on the Speaker's table.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, on what subject?

Mr. KNUTSON. On the tariff.

Mr. O'CONNOR. On the tariff?

Mr. KNUTSON. On the subject of foreign trade; put it that way, if you prefer.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PETTENGILL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PETTENGILL. I direct the Speaker's attention to the resolution with reference to the Pulaski memorial. As the Speaker is aware, this bill was reported out by the Judiciary Committee and was the bill of the gentleman from Connecticut [Mr. CITRON]. When the bill was acted upon in the House, a Senate bill was substituted for it. The Senate bill made Pulaski Memorial Day an annual event. That bill was vetoed, and that point was dwelt upon by the President. The President has authorized me to say that he will have no objection whatever to a resolution of like character limited to this one year.

My parliamentary inquiry is, What is the status of the Citron bill; can it be brought up and acted upon?

The SPEAKER. The Chair is under the impression that the Citron bill was laid on the table when the Senate bill was acted upon.

Mr. PETTENGILL. If the Chair will permit a further parliamentary inquiry, can the bill be taken from the table?

The SPEAKER. It can be done by unanimous consent.

FARM CREDIT ACT OF 1935

Mr. JONES. Mr. Speaker, I call up the conference report on the bill (S. 1384) to amend the Emergency Farm Mortgage Act of 1933, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, and to amend the Farm Credit Act of 1933, and for other purposes, and ask that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement follow:

CONFERENCE REPORT

[To accompany S. 1384]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1384) to amend the Emergency Farm Mortgage Act of 1933, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, and to amend the Farm Credit Act of 1933, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the amendment of the House insert the following:

"That this act may be cited as the 'Farm Credit Act of 1935.'"

"Sec. 2. (a) Section 32 of the Emergency Farm Mortgage Act of 1933, as amended (U. S. C., Supp. VII, title 12, sec. 1016), is further amended by striking out of the third sentence the following: 'and made for the purpose of reducing and refinancing an existing mortgage'."

"(b) Such section 32, as amended, is further amended by striking out the fifth sentence and inserting in lieu thereof the following: 'Loans may be made under this section for any of the purposes for which Federal land banks are authorized by law to make loans, and for the following additional purpose, and none other: Refinancing, either in connection with proceedings under chapter VIII of the Bankruptcy Act of July 1, 1898, as amended, or otherwise, any indebtedness, secured or unsecured, of the farmer, or which is secured by a lien on all or any part of the farm property accepted as security for the loan.'"

"(c) Such section 32, as amended, is further amended by striking out the seventh sentence and inserting in lieu thereof the following: 'As used in this section, (1) the term "farmer" means any person who is at the time, or shortly to become, bona fide engaged in farming operations, either personally or through an agent or tenant, or the principal part of whose income is derived from farming operations or livestock raising, and includes a personal representative of a deceased farmer; (2) the term "person" includes an individual or a corporation engaged in the raising of livestock; and (3) the term "corporation" includes any incorporated association; but no such loan shall be made to a corporation (A) unless all the stock of the corporation is owned by individuals themselves personally actually engaged in the raising of livestock on the land to be mortgaged as security for the loan, except in a case where the Land Bank Commissioner permits the loan if at least 75 per centum in value and number of shares of the stock of the corporation is owned by the individuals personally actually so engaged, and (B) unless the owners of at least 75 per centum in value and number of shares of the stock of the corporation assume personal liability for the loan. No loan shall be made to any corporation which is a subsidiary of, or affiliated (either directly or through substantial identity of stock ownership) with, a corporation ineligible to procure a loan in the amount applied for.'"

"(d) Such section 32, as amended, is further amended by striking out the eighth and ninth sentences and inserting in lieu thereof the following: 'Until February 1, 1940, the Land Bank Commissioner shall, in his name, make loans under this section on behalf of the Federal Farm Mortgage Corporation, and may make such loans in cash or in bonds of the corporation, or if acceptable to the borrower, in consolidated farm-loan bonds; but no such loans shall be made by him after February 1, 1940, except for the purpose of refinancing loans previously made by him under this section. As much as may be necessary of the assets of the corporation, including the bonds (and proceeds thereof) issued under section 4 of the Federal Farm Mortgage Corporation Act, may be used for the purposes of this section.'"

"(e) Such section 32, as amended, is further amended by inserting at the end thereof the following: 'Any Federal land bank, when duly authorized by the Land Bank Commissioner and the Federal Farm Mortgage Corporation, shall have the power to execute any instrument relating to any mortgage taken to secure a loan made or to be made under this section, or relating to any property included in any such mortgage, or relating to any property acquired by the Land Bank Commissioner and/or the Federal Farm Mortgage Corporation. Any such instrument heretofore or hereafter executed on behalf of the Land Bank Commissioner and/or the Federal Farm Mortgage Corporation by a Federal land bank, through its duly authorized officers, shall be con-

clusively presumed to have been duly authorized by the Land Bank Commissioner and the Federal Farm Mortgage Corporation.'"

"Sec. 3. (a) Effective July 1, 1935, the first sentence of paragraph 'Twelfth' of section 12 of the Federal Farm Loan Act, as amended, is amended by striking out the following: 'within two years after such date, shall not exceed 4½ per centum per annum for all interest payable on installment dates occurring within a period of five years commencing sixty days after the date this paragraph takes effect; and no payment of the principal portion of any installment of any such loan shall be required during such five-year period if the borrower shall not be in default with respect to any other condition or covenant of his mortgage', and inserting in lieu thereof the following: 'after such date, shall not exceed 3½ per centum per annum for all interest payable on installment dates occurring within a period of one year commencing July 1, 1935, and shall not exceed 4 per centum per annum for all interest payable on installment dates occurring within a period of two years commencing July 1, 1936; and no payment of the principal portion of any installment of any such loan outstanding on the date of the enactment of the Farm Credit Act of 1935 shall be required prior to July 11, 1938, if the borrower shall not be in default with respect to any other condition or covenant of his mortgage.'"

"(b) Effective July 1, 1935, the second sentence of such paragraph 'Twelfth' is amended by striking out the following: 'the rate of interest on such loans for such five-year period shall be 5 per centum in lieu of 4½ per centum', and inserting in lieu thereof: 'the rates of interest paid for the respective periods above specified shall be one-half of 1 per centum per annum in excess of the rates of interest paid during the corresponding periods by borrowers on mortgage loans made through national farm loan associations.'"

"Sec. 4. The fourth sentence of section 24 of the Federal Farm Loan Act, as amended (U. S. C., Supp. VII, title 12, sec. 913), is further amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: 'Provided, That the declaration and payment of any such dividend shall be subject to the approval of the Land Bank Commissioner.'"

"Sec. 5. (a) Paragraph (1) of subsection (a) of section 202 of the Federal Farm Loan Act, as amended (U. S. C., Supp. VII, title 12, sec. 1031), is further amended by striking out that portion of the paragraph which follows the second semicolon and inserting in lieu thereof the following: 'and to discount for, or purchase from, any production credit association or bank for cooperatives organized under the Farm Credit Act of 1933, or any production credit association in which a Production Credit Corporation organized under such Act holds stock, with its indorsement, any note, draft, bill of exchange, debenture, or other such obligation presented by such association or bank, and to make loans and advances direct to any such association or bank secured by such collateral as may be approved by the Governor of the Farm Credit Administration.'"

"(b) Paragraph (3) of subsection (a) of such section 202, as amended, is further amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: 'at such rates of commission as may be approved by the Governor of the Farm Credit Administration.'"

"(c) Subsection (d) of such section 202, as amended (U. S. C., Supp. VII, title 12, sec. 1034), is hereby repealed.

"Sec. 6. (a) Subsection (a) of section 203 of the Federal Farm Loan Act (U. S. C., title 12, sec. 1041) is amended by striking out the proviso and inserting in lieu thereof the following: 'Provided, That the aggregate amount of the outstanding debentures and similar obligations issued individually by any Federal intermediate credit bank, together with the amount of outstanding consolidated debentures issued for its benefit and account, shall not exceed ten times the surplus and paid-in capital of such bank.'"

"(b) Such section 203 (U. S. C., title 12, secs. 1041-1043) is further amended by adding at the end thereof the following new subsections:

"(d) Whenever it shall appear desirable to issue consolidated debentures of the twelve Federal intermediate credit banks and to sell them through a common selling agency, and the Federal intermediate credit banks shall, by resolutions, consent to the same, the banks may issue and sell said debentures subject to the provisions of this section and the provisions of section 21 of Title I of this Act, insofar as applicable. As used in this Act, the term "debentures" includes such consolidated debentures."

"(e) All debentures issued by Federal intermediate credit banks shall be lawful investments, and may be accepted as security, for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of the United States or of any officer or officers thereof."

"Sec. 7. Subsection (a) of section 204 of the Federal Farm Loan Act, as amended (U. S. C., Supp. VII, title 12, sec. 1051), is further amended to read as follows:

"(a) Any Federal intermediate credit bank may, with the approval of the Intermediate Credit Commissioner, from time to time establish rates of discount and interest which, except with the approval of the Governor of the Farm Credit Administration, shall not exceed by more than 1 per centum per annum the rate borne by the last preceding issue of debentures which it issued or in which it participated. Any Federal intermediate credit bank may be required by the Governor of the Farm Credit Administration to acquire, upon such terms as he may approve, loans and/or discounts of any other Federal intermediate credit bank."

"Sec. 8. Section 208 of the Federal Farm Loan Act (U. S. C., title 12, secs. 1091-1094) is amended by adding at the end thereof the following new subsection:

"(e) The executive departments, boards, commissions, and independent establishments of the Government, the Reconstruction Finance Corporation, the Federal Deposit Insurance Corporation, the Federal Reserve Board, and the Federal Reserve banks are severally authorized, under such conditions as they may prescribe, to make available to any Federal intermediate credit bank, in confidence, upon the request of the Governor of the Farm Credit Administration, such reports, records, or other information as they may have available relating to the condition of any institution to which a Federal intermediate credit bank has made, or contemplates making, loans, or which it is using, or contemplates using, as a custodian of securities or other credit instruments, or as a depository."

"Sec. 9. Paragraph (2) of subsection (a) of section 7 of the Agricultural Marketing Act, as amended (U. S. C., Supp. VII, title 12, sec. 1141e), is further amended to read as follows:

"(2) the construction or acquisition by purchase or lease, or refinancing the cost of such construction or acquisition, of physical facilities."

"Sec. 10. Paragraph (1) of subsection (c) of section 7 of the Agricultural Marketing Act, as amended (U. S. C., Supp. VII, title 12, sec. 1141e), is further amended to read as follows:

"(1) No loan shall be made in an amount in excess of 60 per centum of the appraised value of the security therefor."

"Sec. 11. Subsection (a) of section 8 of the Agricultural Marketing Act, as amended (U. S. C., Supp. VII, title 12, sec. 1141f), is further amended to read as follows:

"(a) Loans to any cooperative association shall bear such rates of interest as the Governor of the Farm Credit Administration shall from time to time determine to be necessary for the needs of the lending agencies and shall by regulation prescribe (but in no case shall the rate of interest exceed 6 per centum per annum on the unpaid principal): *Provided, however,* That the rate of interest on any loan made under the provisions of section 7 (a) (1) hereof, other than upon the security of commodities, shall conform as nearly as may be practicable to a rate 1 per centum in excess of the prevailing interest rate paid by production credit associations to the Federal intermediate credit bank of the land bank district in which the principal business office of the borrower is located; the rate of interest on any loan made upon the security of commodities shall conform, as nearly as may be practicable, to the prevailing interest rate on commodity loans charged borrowers from the Federal intermediate credit bank of the land bank district in which the principal business office of the borrower is located; and that the rate of interest on any loan made under the provisions of section 7 (a) (2) hereof shall conform as nearly as may be practicable to the prevailing rate on mortgage loans made to members of national farm loan associations."

"Sec. 12. Subsection (a) of section 15 of the Agricultural Marketing Act, as amended (U. S. C., Supp. VII, title 12, sec. 1141j), is further amended to read as follows:

"(a) As used in this act, the term "cooperative association" means any association in which farmers act together in processing, preparing for market, handling, and/or marketing the farm products of persons so engaged, and also means any association in which farmers act together in purchasing, testing, grading, processing, distributing, and/or furnishing farm supplies and/or farm business services: *Provided, however,* That such associations are operated for the mutual benefit of the members thereof as such producers or purchasers and conform to one or both of the following requirements:

"First. That no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein; and

"Second. That the association does not pay dividends on stock or membership capital in excess of 8 per centum per annum."

"And in any case to the following:

"Third. That the association shall not deal in farm products, farm supplies, and farm business services with or for nonmembers in an amount greater in value than the total amount of such business transacted by it with or for members. All business transacted by any cooperative association for or on behalf of the United States or any agency or instrumentality thereof shall be disregarded in determining the volume of member and nonmember business transacted by such association."

"Sec. 13. Section 34 of the Farm Credit Act of 1933 is amended to read as follows:

"Sec. 34. Subject to such terms and conditions as may be prescribed by the chairman of its board of directors, the Central Bank is authorized: (a) to make loans to cooperative associations, as defined in the Agricultural Marketing Act, as amended, for any of the purposes and subject to the conditions and limitations set forth in such act, as amended; (b) to make loans (by way of discount or otherwise) to banks for cooperatives organized under section 2 of this act; (c) to buy from, and sell to, any such bank or any Federal intermediate credit bank any note, draft, bill of exchange, debenture, or other obligation; and (d) to borrow from, and discount or rediscount paper with, any and all such banks."

"Sec. 14. Section 41 of the Farm Credit Act of 1933 (U. S. C., Supp. VII, title 12, sec. 1134c) is amended to read as follows:

"Sec. 41. Subject to such terms and conditions as may be prescribed by the Governor, the banks for cooperatives are authorized: (a) to make loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for any of the purposes

and subject to the conditions and limitations set forth in such Act, as amended; (b) to make loans (by way of discount or otherwise) to any bank organized under this act; (c) to buy from, and sell to, any such bank or any Federal intermediate credit bank any note, draft, bill of exchange, debenture, or other obligation; and (d) to borrow from, and discount or rediscount paper with, any and all such banks."

"Sec. 15. (a) The first sentence of subsection (a) of section 35 of the Farm Credit Act of 1933 (U. S. C., Supp. VII, title 12, sec. 1134k) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "except that, in connection with any loan made on the security of commodities, the borrower shall be required to own, at the time the loan is made, only such amount of stock as may be prescribed by rules and regulations of the Governor."

"(b) Subsection (a) of such section 35 is further amended by striking out the second sentence and inserting in lieu thereof the following: "Upon discharge of the loan, stock held by the borrowing association may be, and upon the concurrent or subsequent request of the borrowing association shall be, retired and canceled, and the association shall be paid therefor an amount equal to the amount paid for such stock or loaned to subscribe therefor, as the case may be, minus the pro rata impairment, if any, of capital and guaranty fund of the Central Bank, as determined by the chairman of the board of the Central Bank."

"(c) Such section 35 is further amended by adding at the end thereof the following new subsection:

"(c) In any case where the debt of a borrower to the Central Bank is in default, the bank may, in accordance with rules and regulations prescribed by the Governor, retire and cancel all or a part of the stock of the defaulting borrower at the fair book value thereof (not exceeding par), in total or partial liquidation of the debt, as the case may be."

"Sec. 16. (a) The first sentence of subsection (a) of section 30 of the Emergency Farm Mortgage Act of 1933 is amended by striking out the words "two years" and inserting in lieu thereof the words "four years".

"(b) The fourth sentence of subsection (b) of such section 30 is amended:

"(1) By striking out the words "occurring more than sixty days after the date of enactment of this act", and

"(2) By striking out the words "a period of two years from the date of enactment of this act" and inserting in lieu thereof the following: "a period of two years from the date of the enactment of the Farm Credit Act of 1935".

"Sec. 17. (a) The first sentence of subsection (a) of section 31 of the Emergency Farm Mortgage Act of 1933 is amended by striking out the words "for two years from the date of the enactment of this act" and inserting in lieu thereof a comma and the following: "until May 13, 1937."

"(b) Subsection (b) of such section 31 is amended by striking out the words "such two-year period" and inserting in lieu thereof the following: "the period of postponement".

"(c) The first sentence of the act entitled "An Act to authorize production credit associations to make loans to oyster planters", approved June 18, 1934 (U. S. C., title 12, sec. 1131j), is amended by striking out the following: "who are carrying on their operations under leases of oyster beds granted by any State or political subdivision thereof".

"Sec. 18. Paragraph "Sixth" of section 12 of the Federal Farm Loan Act, as amended (U. S. C., title 12, sec. 771), is further amended by adding at the end thereof the following new sentence: "As used in this paragraph (1) the term "person" includes an individual or a corporation engaged in the raising of livestock; and (2) the term "corporation" includes any incorporated association; but no such loan shall be made to a corporation (A) unless all the stock of the corporation is owned by individuals themselves personally actually engaged in the raising of livestock on the farm to be mortgaged as security for the loan, except in a case where the Land Bank Commissioner permits the loan if at least 75 per centum in value and number of shares of the stock of the corporation is owned by the individuals personally actually so engaged, and (B) unless the owners of at least 75 per centum in value and number of shares of the stock of the corporation assume personal liability for the loan. No loan shall be made to any corporation which is a subsidiary of, or affiliated (either directly or through substantial identity of stock ownership) with, a corporation ineligible to procure a loan in the amount applied for."

"Sec. 19. (a) The first sentence of the sixth paragraph of section 7 of the Federal Farm Loan Act, as amended (U. S. C., title 12, sec. 716), is amended to read as follows: "Ten or more persons who are the owners, or about to become the owners, of farm lands qualified as security for a mortgage loan under section 12 of this Act, may unite to form a national farm-loan association."

"(b) The sixth paragraph of such section 7 is further amended by adding at the end thereof the following new sentence: "As used in this section, the term "person" includes an individual, an incorporated association, and a corporation which is eligible for a loan under section 12 of this Act."

"Sec. 20. (a) The first sentence of the fifth paragraph of section 9 of the Federal Farm Loan Act, as amended (U. S. C., title 12, sec. 745), is amended by striking out the words "any natural person" and inserting in lieu thereof "any person."

"(b) The fifth paragraph of such section 9 is further amended by adding at the end thereof the following new sentence: "As used in this section, the term "person" includes an individual, an incor-

porated association, and a corporation which is eligible for a loan under section 12 of this Act."

"SEC. 21. The first sentence of the first paragraph of section 31 of the Federal Farm Loan Act, as amended (U. S. C., title 12, sec. 981), is amended to read as follows: 'Any applicant for a loan under this act, or officer or representative of any such applicant, who shall knowingly make any false statement in the application for such loan, and any member of a loan committee or any appraiser provided for in this act who shall willfully overvalue any land offered as security for loans under this act, shall be punished by a fine of not exceeding \$5,000, or by imprisonment not exceeding one year, or both.'

"SEC. 22. Paragraph 'Fifth' of section 12 of the Federal Farm Loan Act, as amended (U. S. C., Supp. VII, title 12, sec. 771), is further amended by inserting after the third sentence thereof the following: 'In determining the earning power of land used for the raising of livestock, due consideration shall be given to the extent to which the earning power of the fee-owned land is augmented by a lease or permit, granted by lawful authority of the United States or of any State, for the use of a portion of the public lands of the United States or of such State, where such permit or lease is in the nature of a right adjunctive to such fee-owned land, and its availability for use as such during the terms of the loan is reasonably assured.'

"SEC. 23. On and after the date of enactment of this Act no person shall be eligible for appointment or election as an administrative or executive official or as a member of the board of directors of a Federal land bank, or shall continue to hold office as such member or as an ex-officio director of a Federal intermediate credit bank or of any corporation or bank organized pursuant to the Farm Credit Act of 1933, if such person has been finally adjudged guilty of a felony, or finally adjudged liable in damages in any civil proceeding for fraud, in any State or Federal court.

"SEC. 24. (a) If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"(b) The right to alter, amend, or repeal this Act is hereby expressly reserved."

And the House agree to the same.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
J. ROLAND KINZER,

Managers on the part of the House.

DUNCAN U. FLETCHER,
ROBERT F. WAGNER,
ALBEN W. BARKLEY,
JAMES F. BYRNES,
ROBERT D. CAREY,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1384) to amend the Emergency Farm Mortgage Act of 1933, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, and to amend the Farm Credit Act of 1933, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

Section 1, subsections (a), (b), (d), and (e) of section 2, sections 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, and 16, and subsections (a) and (b) of section 17, of the Senate bill are the same in substance as the corresponding sections and subsections of the House amendment. Section 25 of the Senate bill is the same as subsection (c) of section 17 of the House amendment, and section 27 of the Senate bill is the same as section 18 of the House amendment. Certain clarifying changes were made in some of these sections in the House amendment and the conference agreement retains these sections as clarified.

Section 2 (c) of the Senate bill authorized the Land Bank Commissioner to make loans under section 32 of the Emergency Farm Mortgage Act of 1933 to corporations engaged in the raising of livestock with the restriction that no such loan should be made unless all the stock of the corporation was "owned by persons themselves personally actually engaged in the raising of livestock on the land to be mortgaged as security for the loan", except where the Commissioner permitted such a loan if at present 75 percent of the stock was so owned. There was also a restriction that no such loan should be made to a corporation which was a subsidiary of, or affiliated (either directly or through substantial identity of stock ownership) with, a corporation ineligible to procure a loan in the amount applied for. There were no corresponding provisions in the House amendment. The conference agreement retains the provisions of the Senate bill and adds a further restriction that no loan shall be made to any such corporation unless the owners of at least 75 percent of the stock assume personal liability for the loan.

Section 3 of the Senate bill provided for reducing the amount of interest-reimbursement payments by the Secretary of the Treasury to the Federal land banks for each quarter subsequent to 1934 by the amount of savings in interest payable by the banks affected through bond refunding operations subsequent to June 30, 1934. There was no corresponding provision in the House amendment.

The conference agreement eliminates this provision of the Senate bill.

Section 3 of the House amendment provided for reducing the interest rate paid by Federal land-bank borrowers whose loans were obtained through national farm-loan associations or were outstanding on May 12, 1933, to a maximum of 3½ percent per annum for all interest payable on installment dates occurring within a period of 1 year commencing July 1, 1935, and to a maximum of 4 percent per annum for all interest payable on installment dates occurring within a period of 2 years commencing July 1, 1936. Corresponding reductions were also made in the maximum rates of interest payable during the same periods by Federal land-bank borrowers who obtained loans direct or through branches. Section 26 of the Senate bill provided for reducing the interest rate payable by Federal land-bank borrowers to 3½ percent per annum during the 5-year period beginning July 11, 1933, and ending July 11, 1938, in cases where loans were outstanding on May 12, 1933, or were made thereafter through national farm-loan associations. It also extended the benefits of this interest reduction, and of the automatic deferment of principal provided for in existing law, to borrowers who obtained loans after May 12, 1935. Corresponding benefits were granted to borrowers who obtained loans direct or through Federal land-bank branches. The conference agreement retains the provisions of section 3 of the House amendment.

Section 11 of the Senate bill contained a provision providing that the rate of interest on any loan made by the Governor of the Farm Credit Administration or a bank for cooperatives to any cooperative association on the security of commodities should conform, as nearly as may be practicable, to the prevailing interest rate of commodity loans charged borrowers from the Federal intermediate credit bank of the district in which the principal office of the association was located. There was no corresponding provision in the House amendment. The conference agreement retains the provision of the Senate bill.

Section 18 of the Senate bill provided that obligations incurred by the Federal Farm Mortgage Corporation must be within the estimates submitted to and approved by the Director of the Budget. There was no corresponding provision in the House amendment, and the conference agreement eliminates the provision of the Senate bill.

Section 19 of the Senate bill provided for loans through the Federal land-bank system to corporations, with the restriction that no such loan should be made (1) unless the persons who owned all the stock of the corporation were actually engaged in the cultivation or operation of or in the raising of livestock on the farm to be mortgaged as security for the loan, except where such loans were permitted by the Land Bank Commissioner if at least 75 percent of the stock of the corporation was owned by persons actually so engaged, and (2) unless the owners of at least 75 percent of the stock assumed personal liability for the loan. There was a further restriction that no loan should be made to any corporation which was a subsidiary of or affiliated (either directly or through substantial identity of stock ownership) with a corporation ineligible to secure a loan in the amount applied for. The House amendment contained no such provision. The conference agreement retains the provision of section 19 of the Senate bill with one exception, namely, that the corporations which are eligible for such loans are restricted to those which are engaged in the raising of livestock.

Sections 20, 21, and 22 of the Senate bill contained amendments of a technical character necessary to permit Federal land-bank loans to be made to corporations. These provisions, which were not contained in the House amendment, are restored under the conference agreement in order to carry into effect the action taken with respect to section 19 of the Senate bill.

Section 23 of the Senate bill contained a provision requiring that in determining the earning power of land used in the raising of livestock, due consideration should be given to the extent to which the earning power of the fee-owned land was augmented by a lease or permit for the use of a portion of the public lands. This was intended to express in legislative form the policy followed in the appraisal of such land. No comparable provision was contained in the House amendment. The conference agreement retains this provision of the Senate bill.

Section 24 of the Senate bill contained a provision rendering ineligible for appointment or election as an administrative or executive official or as a member of the board of directors of a Federal land bank or affiliated institutions, any person who had been finally adjudged guilty of a felony, or finally adjudged liable in damages in any civil proceeding for fraud, in a State or Federal court. There was no similar provision in the House amendment. The conference agreement retains the provision of the Senate bill.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
J. ROLAND KINZER,

Managers on the part of the House.

The SPEAKER. The question is on the conference report. The conference report was agreed to.

A motion to reconsider was laid on the table.

DISPOSITION OF CERTAIN LIGHTHOUSE RESERVATIONS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7131) to author-

ize the Secretary of Commerce to dispose of certain light-house reservations, and for other purposes, with Senate amendments, and concur in the same.

The Clerk read the title of the bill.

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the amendments may be printed in the RECORD. The larger part of them are changes in figures. The other amendment is an item in the bill which was in the bill as the bill was reported to the House, but was stricken out by the House and inserted in the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendments are as follows:

Page 2, line 4, strike out "35" and insert "36."
 Page 3, line 8, strike out "35" and insert "36."
 Page 3, line 18, strike out "35" and insert "36."
 Page 4, line 5, strike out "35" and insert "36."
 Page 4, line 21, strike out "forty" and insert "ten."
 Page 5, lines 10 and 11, strike out "turning, runs south 75° 34' 20" west to a stone bound; then"
 Page 5, line 21, strike out "35" and insert "36."
 Page 6, line 14, strike out "35" and insert "36."
 Page 6, line 23, strike out "35" and insert "36."
 Page 7, line 7, strike out "35" and insert "36."
 Page 7, line 17, strike out "35" and insert "36."
 Page 9, line 9, strike out "35" and insert "36."
 Page 9, line 18, strike out "35" and insert "36."
 Page 10, line 9, strike out "35" and insert "36."
 Page 10, line 19, strike out "35" and insert "36."
 Page 11, line 6, strike out "35" and insert "36."
 Page 11, line 12, strike out "35" and insert "36."
 Page 11, line 22, strike out "35" and insert "36."
 Page 12, line 20, strike out "35" and insert "36."
 Page 13, line 4, after "transferred", insert "and the conditions imposed by section 36 of this act."
 Page 18, line 5, strike out "28" and insert "28 and 37."
 Page 18, after line 20, insert:
 "Sec. 37. The Secretary of Commerce is authorized to convey to the city of Evanston, Ill., for public-park purposes the Grosse Point Lighthouse Reservation, comprising an area of about 100 feet by 535 feet and appurtenant structures thereon with the exception of the brick light tower and the plot of land surrounding same about 45 feet by 65 feet, together with the rights of ingress and egress, for the purpose of maintaining the light. The deed of conveyance shall describe by metes and bounds the portion of the reservation transferred, and the conditions imposed by section 36 of this act."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GERALD MACKEY

Mr. SNELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 378, entitled "An act for the relief of Gerald Mackey", with a Senate amendment, and concur in the same.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, after "Gerald Mackey", insert "not to exceed \$1,200."

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEECH LAKE BAND OF CHIPPEWA INDIANS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2045) to set aside certain lands for the Leech Lake Band of Chippewa Indians in the State of Minnesota, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 1, lines 6 and 7, strike out "Leech Lake Band of."
 Page 2, strike out lines 3 to 6, inclusive.
 Page 2, line 7, after "reserved", insert "in trust."

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

The title was amended to read as follows: "An act to set aside certain lands for the Chippewa Indians in the State of Minnesota."

WRECKERS OF LABOR

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article appearing in the Baltimore News and the Baltimore Post.

Mr. MCFARLANE. Mr. Speaker, reserving the right to object, what does the article cover?

Mr. DICKSTEIN. It is an article by the United Hebrew Trade Workers of the United States, an organization condemning communism.

Mr. MCFARLANE. Does it want to allow those in this country who are unlawfully here to remain? Does this article have anything to do with that matter?

Mr. DICKSTEIN. No. This article is in condemnation of communism in the United States, stating that they are a menace to labor.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, under permission granted me to extend my remarks, I am inserting herewith an editorial which appeared in the Baltimore News and the Baltimore Post under date of May 16, 1935, entitled "United Hebrew Trades Condemn Communists as Wreckers of Labor."

UNITED HEBREW TRADES CONDEMN COMMUNISTS AS WRECKERS OF LABOR

Aroused by the activities of the Communists throughout the United States, the United Hebrew Trades, which represents all the Jewish labor unions in the country, with a membership of 450,000, has made an official declaration.

The declaration was adopted almost unanimously. There were only three negative votes. One of the three voted against it because it did not sufficiently praise Lang for opposing the inhuman conditions which exist within Soviet Russia.

In their declaration the United Hebrew Trades said:

"OFFICIAL DECLARATION OF THE UNITED HEBREW TRADES

"The United Hebrew Trades, at a special meeting held on Monday evening, April 29, have given full consideration and have freely discussed the campaign being waged against the Forward as a result of the articles on Russia which a member of its staff, Comrade Lang, has permitted the New York Evening Journal to reprint."

(Editor's note: This series of articles by Harry Lang on conditions in Soviet Russia was published in the Baltimore News and the Post.)

"The United Hebrew Trades have taken the matter up upon presentations of several unions that our position should be defined and made known to the tens of thousands of Jewish union members and to the Jewish masses in general.

"Before the assembled representatives of the unions began to confer upon the matter, Comrade Lang was given an opportunity to make a statement as to all the facts in the case. He was entitled to such consideration by many years of loyal service to the cause of the labor movement.

"The United Hebrew Trades, upon analyzing the whole matter and considering all the relevant points, has adopted the following declaration:

"In the course of our entire history we have always treated with respect, in all questions and incidents in the labor movement, resolutions and decisions made by other sections of our movement. This is true of the resolution of the Forward Association on the question of Comrade Lang, with the addition that the entire incident has in no way diminished our respect and confidence in him as a journalist and contributor to the activities of the labor movement.

"We recognize that the editorial staff of the Forward and the Forward Association are mainly competent to judge Comrade Lang's conduct.

"We fling back every attempt now being made to create opposition to the Forward.

"The campaign of incitement on the part of the Communists is a natural phenomenon. We expect no other attitude on their part. They have carried on their wrecking operations in the unions during the entire period of their existence and they are trying to break up the unions now. They have always condemned the Socialists and the entire Socialist movement, and they are condemning them now.

"They have been carrying on their scandalous work throughout the length and breadth of the labor movement. When, in 1934, all of labor assembled in Madison Square Garden to protest against the slaughter of the Socialists in Vienna and to mourn the martyrs of Austrian fascism, the Communists with their

rowdy attacks upon the assembly branded themselves as the worst of Hooligans who deserve no attention on the part of any decent person.

"A similar sentence was passed upon them when they staged their diabolical dance over the hopes and interests of the Jews. It was in 1929, when the Jewish masses of the world were shocked by the Arab massacres of Jews in Palestine, that the Communists welcomed the pogroms and hailed the pogrom makers. They condemned themselves and placed themselves under the curse of all Jewish people.

"In every country in the world the Communists march hand in hand with the darkest reactionaries to destroy the socialist, and the democratic and the labor movements. It is they who are responsible for fascism, which destroys every bit of freedom and sows race hatred. Their disturbances here in America have the same character as the trouble which their comrades create in other lands.

"The united Hebrew trades greet the Forward at its consistent stand against all demagogues and trouble-makers in the Jewish world, and call upon all unions and their members to fling back the base charges being leveled against the Forward.

"It is the Forward which was the great power that had built every Jewish union, that always defended and continues to defend absolutely all immigrants against their enemies. In all our battles the Forward is our great champion.

"We declare: They who condemn the Forward condemn the entire Jewish labor movement. The Jewish unions will stand like a mighty force ready to defeat every attack against the Forward and against the labor movement.

"United Hebrew Trades, R. Guskin, chairman; M. Tigel, vice chairman; M. Feinstone, secretary; executive committee: M. Abramson, M. Cohen, H. Goldovsky, M. Edelson, S. Pollakov, A. Student, H. Lilliput, A. Tovlin, A. Baron, A. Dvinsky, M. Horowitz, S. Metz, J. Tovlin, A. Soloviof, M. Volpert, S. Voltchok."

PROGRAM OF FOREST LAND MANAGEMENT

Mr. GREENWOOD. Mr. Speaker, at the request of the Rules Committee I call up House Resolution 223.

The Clerk read as follows:

House Resolution 223

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6914, a bill to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests, etc. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. GREENWOOD. Mr. Speaker, this resolution covers a rule for the consideration of what is known as the "Fulmer reforestation bill." This bill comes from the Committee on Agriculture and has the approval of the Chief Forester of the Forest Service, and is a bill that authorizes the appropriation of \$20,000,000 in order for the Federal Government to cooperate with the States in setting up State forest reservations. This is in addition to the program and the appropriation made sometime ago for the establishment of areas for reforestation on the part of the Federal Government.

Mr. Speaker, I may say this will encourage the States to take over certain areas with the assistance of the Federal Government which shall be maintained and supervised by the State conservation departments, with the idea in view that in time, with the assistance of the Federal Government, the States will be able to pay the Federal Government and take these areas over as State forest reservations. This also permits the States to use certain tracts that they have taken in because of nonpayment of delinquent taxes, and request the Federal Reforestation Service to assist the States in the management of these areas. So far as I know it meets with the approval of not only the Federal Forest Service, but with all of the State reforestation and conservation departments.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. GREENWOOD. I yield to the gentleman from New York.

Mr. FITZPATRICK. How will this be divided? Will each State get its equal share?

Mr. GREENWOOD. It will be considered by projects just as reforestation projects are now considered. No specific allocation is made, and no State will be preferred over another. Any State having a conservation department may submit any project of State-owned land it would like to have come under this particular plan. It will be approved here by the Chief Forester of the Federal Forest Service.

Mr. FITZPATRICK. Will each State have to match the Federal Government?

Mr. GREENWOOD. No. It is not a matching on a 50-50 basis. The State can accept this service and build a future forest service that will be held in the name and title of the State.

Mr. Speaker, this is a wide-open rule, which allows for the offering of any amendments that may be submitted, and provides for 1 hour's general debate. The gentleman from South Carolina [Mr. FULMER], author of the bill, and the chairman of the subcommittee of the Agricultural Committee that held the hearings on this matter, the gentleman from Mississippi [Mr. DOXEY] are here, and they can better answer questions with reference to the provisions of the bill. If any Member desires time under the rule, I shall be glad to grant them time, but unless time is requested I will move the previous question.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

THE TRIPLE A. AMENDMENTS

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered over N. B. C. on Saturday, May 11, by the Chairman of the House Committee on Agriculture, the distinguished gentleman from Texas [Mr. JONES], in which he ably discussed the pending amendments to the Agricultural Adjustment Act.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KLEBERG. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered over the radio on Saturday, May 11, by the Chairman of the Committee on Agriculture, the distinguished gentleman from Texas [Mr. JONES]:

THE TRIPLE A. AMENDMENTS

Attacks from many sides are now being leveled at the farm program. This is an age of propaganda, and selfish groups have not failed to make the most of their opportunities.

The groups that have been making the attack evidently hope that the farmers have forgotten the desperate conditions that prevailed in 1932. Manifestly they hope to sow the seeds of discord among those who have received the vast benefits and experienced the great improvements under the operations of the farm program.

Things are happening at such a rapid rate that we are prone to forget conditions that prevailed only a short time ago.

Let us analyze the situation in the light of actual facts.

THEN AND NOW

In the winter of 1932 farm products were the lowest and most unsatisfactory they had been in 50 years. Let us contrast a few of the prices that prevailed then with prices at the present time. Here is the deadly parallel:

In December 1932 the farm price of wheat was 32 cents per bushel. Today it is 90 cents per bushel.

In December 1932 the farm price for corn was 19 cents per bushel. Today it is 85 cents per bushel.

Then the farm price for cotton was 5 cents per pound. Today it is 12 cents per pound.

At the close of 1932 the farmer was receiving \$2.73 per 100 pounds for his hogs—the lowest price in 54 years. Today he is receiving \$9 per 100 pounds.

Cattle, rice, tobacco, and other farm products have increased in similar proportions.

Do you want to return to those unbearable conditions?

Do you want to return to those prices that wrecked the farmers' hopes and consequently the Nation's business?

Will you listen to organized groups who are interested only in commission prices on volume business, regardless of the price to the farmer and livestock man?

If you do, then these destroyers are speaking your language and expressing your sentiments.

ADDITIONAL BENEFITS

In addition to these increases in prices of farm commodities, the Agricultural Adjustment Administration has paid to the farm-

ers in actual benefit payments a total of approximately \$1,000,000,000. This has increased very greatly the purchasing power of the farmer and has stimulated business all along the line. These prices have not injured the consumer. The raw material cost, when translated into the finished product, is so small an element in the price picture as to be almost negligible. It is far more than offset by the tremendously increased purchasing power of the farmer and his consequent purchases of the manufactured product, which are reflected in better business conditions.

THE TRIPLE A ACT

We learn by experience. In administering a vast and far-reaching act, it has been found that certain amendments are needed. This is but natural. The harvester was not perfected in a single day. The first radio was a crude affair, but did we discard it because of this? If you will go to the Smithsonian Institution and look at the first automobile, you will wonder why they ever had any hopes of its ultimate practical success; but did they discard it for this reason? You need but to step out on one of the main streets or roads of the country to get an overwhelming answer.

The primary object of the Agricultural Adjustment Act is to secure parity prices for the farmers' products. Can anyone object to this? Does anyone want to grind the farmers' prices down below a living level?

A FLEXIBLE PROGRAM

The amendments that have been proposed will provide a more flexible program by permitting the use of different plans with reference to different commodities, thus enabling the plan to be fitted to the particular commodity.

The word "adjustment" has been substituted for the word "reduction", so that the production of a crop hereafter may be adjusted to our domestic and foreign market demands rather than being based upon the question of reduction alone. It may mean a decrease or an increase, or neither, depending upon the supply necessary to fit the general market demand. Can anyone object to this?

THE FOREIGN MARKET

Much ado has been made of our foreign markets. This is another feature which the new amendments undertake to solve.

At the beginning of the program such a vast surplus had been backed up in reference to so many commodities that a de-clearing reduction program was necessary. Having largely achieved the necessary results along these lines, the amendments provide that in addition to benefit payments being made for adjustment that a portion of the funds may be used for expansion of domestic and foreign markets or for the removal of recurrent agricultural surpluses. Does anyone have any objection to this part of the program?

THE GRANARY IDEA

The amendments also provide for the ever normal granary proposal so that benefits may be paid in kind, thus insuring a reserve supply against droughts and shortages. This would permit an adjustment program to be carried on in the regular way and at the same time make certain there would, at no time, be a lack of supply of the essential commodities. Does any normal man object to this?

MARKETING AGREEMENTS AND LICENSES

Perhaps there have been more wild assertions and more discussion and more misunderstanding about the marketing agreements and licenses than any other part of the proposed amendments. Personally, I am opposed to any general licensing program. We are assured there will be none. In order to make that assurance doubly sure, the House committee has limited the possible use of imposed licenses to just those specifically named commodities as to which there seems to be a necessity for their use.

The committee has greatly limited the original proposals. With these limitations only such additional powers can be used as are necessary to handle milk, tobacco, wool, sugar beets, fruits, and vegetables. They cannot be applied to anything else. No national commodity except milk can be affected in any way. We have sought to protect legitimate business.

Let us leave the realm of fancy and assertion, into which so many of the critics have delved, and search for the real truth about these proposals. These are of vital interest to more than 2,000,000 farmers whose production is such that the regular agricultural program cannot properly apply to it.

Licenses in connection with marketing agreements are provided in the present act. These licenses were for the purpose of getting at the minority chiselers who wanted to destroy the effectiveness of the agreements. Does anyone want to defend the chiseler?

PRACTICAL EXPERIENCE

It was found from experience that in certain commodities highly organized processors and distributors not only would not enter into marketing agreements but would not even talk about them. These amendments make it possible to have a program for these particular commodities on proposed marketing agreements, with the rights of everyone safeguarded in every possible way.

These proposed marketing agreements can apply only to milk and its products, tobacco, wool, sugar beets, fruits, and vegetables. It is a question whether the producers of these commodities shall be permitted to have a part in price restoration or whether they will be left to the mercy of the wolves.

SAFEGUARDS

The rights of everyone are protected in every conceivable way. Before they can be applied there must be an open hearing. It must appear that there is no other practical way to protect the interests of the producer. They must have the approval of the President. They must have the approval of a majority of the producers whose commodities are affected. Surely no one can object to these safeguards.

THE OPPONENTS

The opposition charges that we are regimenting the farmers. There is not even a semblance of truth in the charge.

It has been repeatedly charged that there is to be wholesale licensing of retailers. As a matter of fact, except as to milk and its products, the amendments provide that no retailer can be licensed.

It is charged that farmers are to be licensed. The amendments specifically state that no farmer shall be licensed.

The critics of the amendments should attend a truth party just as a matter of novelty, if for no other purpose.

ADDED FEATURES

As a matter of fact, the license features as restricted by the committee are but a small part of the amendments. Many desirable features have been added by the committee. These will make the act broader and more flexible and will, in the judgment of the committee, add greatly to the success of the act. In fact, practically all of those who have really studied the proposals are in hearty accord with these provisions. The expansion of domestic and foreign markets, the removal of surpluses, and increased trade are included. About these purposes there can be no division of opinion.

A SPECIAL FUND

For more than 60 years this country had a tariff system in which in large measure the producer and livestock man could have no part. For all these years the producers of America have carried this load on their backs and disposed of their commodities in a free and open market. Thirty percent of the people of America are actual tillers of the soil. In order to restore to them their part of the national policy, the amendments provide for establishing a fund equivalent to 30 percent of the annual tariff receipts to be used for the purpose of encouraging exportation or for the purpose of making payments in connection with that part of the production of the different commodities which goes into domestic consumption. Can anyone object to this measure of fairness?

When the logic of analysis is brought to bear on these amendments the criticism disappears like the mists. It cannot stand the light of truth.

THE REAL OPPOSITION

The real opposition to these amendments comes from those who would like to destroy the entire farm program. It comes from those who profit most when volume is greatest and when prices are pitifully small. It comes from such parties as the big milk organizations, some of which made millions right through the depression years when the price paid to the producer of the milk wouldn't pay for the feed necessary to keep his cows alive.

THE PRODUCERS

I appeal to the producers whose program this is. This is the first time in the history of our common country that a real program has been fashioned for the farmer and livestock man. He has a voice in formulating it, and he has a part in its administration. Of course, it is not perfect. No one makes such a claim, but will you because of this run the machine into the ditch and go back to the tender mercies of those who have had the craft to profit on the farmers' misfortune? If the producers stand together, if they defend their own program, and instead of listening to the siren song of those whose interests are in conflict, they help to perfect and develop the program, they will one day have a chance to manage their own business and to secure the normal profit from their own labors.

It has been said many times that the farmer is unorganized and that the organized manufacturers and distributors of his products can, through propaganda and the spending of money, cause him to be dissatisfied and thus wreck any program that is prepared in his behalf. That may have been true once, but I believe we have lived beyond that day. I believe the producers have seen enough of the benefits of the present activities to know that their interests will be furthered by standing together for the improvement of the program and not listening to the siren voice of those who would wreck their hopes.

I have devoted the best years of my life to this cause. Many others have done likewise. I want to see the rainbow of the farmers' hopes touch the ground. If they stand together, I believe that this result will be achieved.

Producers of America, will you permit your program to be wrecked? I do not believe you will.

PROGRAM FOR FOREST LAND MANAGEMENT

Mr. FULMER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6914) to authorize cooperation with the several States for

the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6914, with Mr. McLAUGHLIN in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. FULMER. Mr. Chairman, I am very pleased to have the opportunity of presenting to you this afternoon a bill that I believe will meet with the hearty approval of all the Members of the House. The bill has been favorably endorsed by the Forest Service of the Department of Agriculture, and I believe by the Forest Service of each State in the Union.

The purpose of the bill is to furnish money through the Federal Government to acquire areas in various States of the Union for forestry purposes. This will give an opportunity to buy areas, not only in one section of any State, but in various sections of the State. Title to these lands will be vested in the Federal Government, and the State will be given an opportunity to pay back to the Federal Government the amount of money invested in such area. Then the lands will be titled back to the State for State forest purposes.

Mr. LORD. Mr. Chairman, will the gentleman yield for a question?

Mr. FULMER. I yield.

Mr. LORD. Is there any proposed price per acre set out in this bill or how is the land to be valued and purchased?

Mr. FULMER. This land will be selected as is the case now under the Federal Forest System, first, by the State forest services in cooperation with the Federal Forest Service, and then it has to be approved by the National Forest Commission. The State forest service, or State authorities, will not buy or obligate to buy land unless it is absolutely satisfactory to the Federal Forest Administration.

Mr. LORD. In my State of New York the State purchases land at a set price; that is, the State will purchase certain areas, if it contains 500 acres or more, at \$4 an acre. This is their limit as to price, no matter what the conditions may be, and I was just wondering if there is any set price or any such condition provided as to this proposition.

Mr. FULMER. There is no set price under the bill. But, the Forest Service has a system for buying forest land which I am sure will be carried out in connection with the operation of this bill.

The bill also provides that where a State has taken over land for delinquent taxes, such land can also be put into the Forest Service and the Federal Government will cooperate 50-50 in carrying on the forest service in the respective States with respect to such area.

Mr. LORD. But this land that is to be taken over belongs to the Federal Government and the State has nothing to do with it unless they elect to purchase it later on.

Mr. FULMER. That is correct in connection with lands purchased by the Federal Forest Service.

Mr. LORD. In other words, this is simply a Federal system in which the State has no part unless it eventually wants to buy it.

Mr. FULMER. The State cooperates with the Federal Government and it is a matter of a loan until the State can reimburse the Federal Government. The title then goes back to the State.

I may say to the gentleman there are a great many States of the Union that have not been able to acquire forest areas or cooperate with the Federal Government, because they have not had the revenue to match expenditures, dollar for dollar, with the Federal Government. This is an opportunity extended to the States for the purpose of cooperating in the acquisition of forest areas at a time when lands

are selling at a very low price, for the purpose of building up the natural resources of the country along this line.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield.

Mr. DONDERO. In my State of Michigan, we have a large area of what are known as "cut-over lands or pine lands." These lands belong to our State. Will this bill provide a method by which the Federal Government may purchase from the State such land for the purposes you have outlined?

Mr. FULMER. I should not think it would be necessary to purchase from the State State-owned land, because the whole idea is to purchase land in the first instance for the States, and eventually the title to the land will be transferred to the State for State forests. The Federal Government will cooperate with the gentleman's State 50-50 with respect to forest service on State-owned land, building up the forest and promoting fire protection and all that sort of thing.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I would like to say to the gentleman that Ohio has a real, progressive, up-to-date forest service, and this organization has indicated very clearly that they favor the gentleman's bill.

Mr. FULMER. I appreciate that.

Mr. DONDERO. If the gentleman will yield for one more question, in whom would the title be in the case the gentleman has cited, where the Government furnishes half of the money to match with the State?

Mr. FULMER. It would remain in the State under cooperative agreement with the Federal Government.

Mr. DONDERO. Then it is simply in the nature of a loan to the State?

Mr. FULMER. In cooperating with the gentleman's State, it would be, we might say, a grant, because they do not have to pay that back, inasmuch as the State already owns the land.

Mr. CASTELLOW. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Georgia.

Mr. CASTELLOW. What would be the status of land taken over, not by the State but by the various counties of a State, for taxes, where it is not owned by the State but the title is in the county of a State?

Mr. FULMER. It is my thought that under the bill, if that land is located in a proper area for forest service and the State forest service, in cooperation with the Federal Forest Service, should desire to take over the land, it would be perfectly satisfactory and would come in just like State-owned land.

Mr. PIERCE. Will the gentleman yield?

Mr. FULMER. I yield.

Mr. PIERCE. The Forest Service will cooperate with the State. It must be done through the State. Land belonging to the county can be taken by the State and then the Forest Service will cooperate with the State.

Mr. CASTELLOW. Will the gentleman yield?

Mr. FULMER. I yield.

Mr. CASTELLOW. They will not deal with the county?

Mr. PIERCE. No.

Mr. ANDRESEN. In regard to the question just raised, may I call attention to the provision on page 7, which reads as follows:

When a State or political unit thereof acquires under tax delinquency laws title to forest lands without cost to the United States and which lands are included within a State or other public forest, the Secretary of Agriculture, on behalf of the Federal Government, may contribute annually out of any funds made available under this act not to exceed one-half the cost of administering, developing, and managing said lands.

Mr. PIERCE. It is possible under that that you could get the county in, but at the present time the Forest Service will not cooperate except with the State. I very much doubt that they will want to cooperate unless they cooperate with the State.

Mr. CROWE. Will the gentleman yield?

Mr. FULMER. I yield.

Mr. CROWE. If the Government advances the money to the State, they can purchase the land and later refund that money to the Federal Government and own the land.

Mr. FULMER. That is right, except the Federal Government will have to advance the funds for the purchase, and the title will be in the Federal Government until the repayment is made, and then the title will go back to the State and lands will then be used as State forests.

Mr. CROWE. I want to say that we favor that project.

Mr. ANDRESEN. Is it not the purpose to acquire the title to the land by the sale of products of the land itself, so that there will be no extra expense?

Mr. FULMER. The purchase price of these lands may be paid to the Federal Government out of the proceeds received from lands so purchased by the Federal Government.

Now, the gentleman from Mississippi [Mr. DOXEY] will follow me, and he knows more about the mechanics of the bill than I do, and perhaps he will be able to give you additional information which will be helpful.

I might state that my colleague [Mr. DOXEY] is a distinguished member of the National Forest Commission, and in that he has considerable experience in connection with the administration of the Forest Service, as stated, I am sure he will be able and delighted to speak to you on the merits of the bill.

Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. DOXEY].

Mr. DOXEY. Mr. Chairman, I want to briefly explain this bill to the Members and answer any questions that I may be able to, as I reported the bill and my subcommittee conducted the hearings.

Mr. HULL. Will the gentleman yield?

Mr. DOXEY. I yield.

Mr. HULL. Will the gentleman give us his opinion on subsection (k), page 7, as to whether or not we would, by authorizing a county with 100,000 acres of delinquent-tax lands, if it so desired, to come under the provisions of this bill, establish what would practically amount to a county forest?

Mr. DOXEY. Yes, sir. That is one of the purposes of the bill.

Mr. HULL. There is no question about it?

Mr. DOXEY. I think that section (k) of the bill, to which the gentleman refers, gives just this picture: Every State has many millions of acres of tax-delinquent lands. In my State of Mississippi the title is in the State. In some States the title is in the counties. The main purpose of this bill is to aid forest development in the States that have not been encouraged or could not be encouraged to do much forestry work on account of State facilities and State appropriations. Suppose there are 10,000,000 acres of tax-delinquent property in a State, it would not be advisable, in my judgment, for the authorities, whether a board of supervisors of a county or a State authority, to say that the entire tax-delinquent land should be used for forest purposes, because there might be other purposes—homesteads, and so forth—to which the land could be put; but it is essential, and those of us who are interested in forestry work know, that one of the best uses to which some of this land can be put is in forests. Under the present system, the National Government does not establish forests in small acreage. National forests are from 200,000 acres up. There are about 65 national forests in the United States.

Now, with special reference to the section which the gentleman from Wisconsin [Mr. HULL] called attention to, there can be tax-delinquent land in the northeastern part of a State, some in the southwestern part of a State, and some in the central part of a State, and when the State authorities and those in charge determine that the best possible use of those lands in the various locations throughout the State would be for forest purposes, then the beneficent Federal Government comes in and says, "You submit these projects first to the regional office." There it will be carefully checked. There it is approved or disapproved, and it

is sent to the Forestry Service here in Washington, of which Mr. Silcox is Chief Forester. Then the Forest Service here approves or disapproves these matters. Then it is presented to what is an established commission, known as the "National Forest Reservation Commission." I have the honor to be a member of that Commission. There are three Cabinet members—the Secretary of War, the Secretary of Agriculture, and the Secretary of the Interior—members of that Commission. There are also two Senators on the Commission—Senator KEYES, of New Hampshire, and Senator GEORGE, of Georgia. Our colleague, Mr. WOODRUFF, of Michigan, and myself are members of that Commission. It is a bipartisan body. Most of us have served on the Commission for quite a number of years. We have given great thought and study to this problem as a national problem, and we saw the great need of many States having State forests that have not been able to develop forests for many reasons. Why? Because the Government has not been in some States to establish national forests. If they come in, the administration of a national forest of 500,000 acres is just as cheap as for a forest of 50,000, because they have the same rangers and watchers and such things. But this bill provides a method to encourage State forests by ordering that when these forests are established the State has jurisdiction of administering them. They can have any organization they want, just so they effectively administer it.

The Government says to the respective State, "Now, we are going to encourage you in your forest program by paying one-half of the cost of the administration." We do that in cases where we do not have to buy any land and State tax-delinquent land is already there and properly approved for use as a forest.

Now, in case a State says, "We have land that can be bought as cut-over land from individuals or corporations, which should be in the forests", they go through the same procedure, with recommendations, setting out the acreage and the temporary boundary lines. They are flexible and they can be changed to meet an emergency. Then by the same method they go to the Forest Service and on to the National Forest Commission, and they say, "We think this is a good project. Here are people who own this land. This is what we think we can buy the average land for per acre. That is not a contract. Those of us who consider that matter on the recommendation of the Forest Service say, "Go out and take an option at an average cost of so much an acre." They go out and contact the individual, and if they agree, the trade is made, and the Government pays the money. The forest is created, but the Government does not pay for the administration. The Government turns it over to the State. In that way you may have several small forest areas in a State, whereas now you do not have more than one or two because of the great acreage that is necessary under the present policy of the Government to include only large acreage in national forests. In this way a State can have small forest areas and have places for C. C. C. camps or any other thing that is necessary to develop these small tracts as forests.

Mr. ANDRESEN. Will the gentleman yield?

Mr. DOXEY. I am glad to yield to my colleague.

Mr. ANDRESEN. The gentleman has made a very fine and clear statement of the bill, and I am sure we all understand it much better. The conservation authorities in Minnesota are very much in favor of this legislation, but I would like to ask the gentleman if he can explain one question to us. The bill calls for an appropriation of \$20,000,000. That is one appropriation—not an annual appropriation. Does the gentleman have any idea as to how this money will be allocated, according to States or sections of the country, so that some assurance may be given that each State will get a part of that appropriation?

Mr. DOXEY. I think that is a pertinent question. That question was gone into in the committee hearings. The gentleman is a member of the subcommittee of which I am chairman and will remember the discussion we had in this regard. Let me say right here and now that during the course of my remarks I shall ask unanimous consent to in-

corporate the report of the subcommittee, for, while it does not clear up all points, it will be found helpful, and is as follows:

[House of Representatives, Rept. No. 830, 74th Cong., 1st sess.]

REPORT

[To accompany H. R. 6914]

The Committee on Agriculture, to whom was referred the bill (H. R. 6914) to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes, having considered the same, report thereon with a recommendation that it do pass.

STATEMENT

H. R. 6914 has the approval of the American Forestry Association, and a great many of the State foresters appeared before the subcommittee and testified in behalf of this proposed legislation.

Mr. F. A. Silcox, Chief of the Forest Service, Department of Agriculture, also appeared before the subcommittee and made a very comprehensive statement on the bill, thoroughly approved it, and endorsed in principle the plan set forth therein.

The purpose of the bill is to extend the forestry program through a cooperative set-up of the Federal Government and the States, to stabilize the State forestry departments, and to aid and stimulate the States that have not yet been able to build up their State forestry systems.

The bill provides for the acquisition, development, and management of State forests through the coordinated efforts of the Federal and State agencies. The bill is designed to safeguard the rights of the States as well as those of the Federal Government.

Under the bill, the States may acquire forest units under a long-time payment system which will pay back to the Federal Government the amount of money it spent for the lands.

The selection of the forest areas is made by the State forest authorities and recommended to the Federal Forest Service, which will go over the matter and then submit it to the National Forest Reservation Commission for final approval, which will authorize the purchase of the State forest unit as is now done with regard to the purchase of national-forest units. The States do not have to match the money in any way. The Federal Government purchases the land outright and pays all expenses incident to the purchase. Then the purchased forest area is turned over to the State forest organizations by cooperative agreements signed by the Secretary of Agriculture and the proper State officials. The land thereafter is under the direct management of the State forest service, with cooperative technical assistance and supervision from the Federal Government.

The Federal Government continues to own the land until the States buy the land back out of the resources derived from the land under the management of the States. In other words, it is a resale on the installment plan. The States are given an opportunity through this long-range program of securing these lands ultimately as State forests by being aided at this time by the Federal Government purchasing the lands and turning them over to the States to administer, the future cost of administering, developing, and managing to be paid by the States.

However, section 2 (k) of the bill provides that when tax-delinquent lands are acquired by the State and the Federal Government is relieved of the land-acquisition problem, the Government may aid the State by contributing annually out of any funds made available under this act not more than one-half the cost of administering, developing, and managing such forest lands, along the same line as the Government now contributes toward forest-fire protection throughout the country.

Under this bill a number of small areas may be set up so that participation in the forestry program will be distributed over the State. These widely scattered small areas within the State will act as demonstration areas, show how timberland should be managed and developed, and will serve as a laboratory station from which private owners may obtain valuable knowledge.

Under this bill many small unproductive areas in a State can be made productive and a foundation be laid for permanent stability of communities through permanent forests.

There are adequate safeguards set up in this bill so that the State forest units will be properly managed. With State management of the lands and State income out of the lands, the States will gain in resources as well as in forestry knowledge.

Further, forest lands owned by the State may be used for the establishment of Civilian Conservation Corps camps for practically any kind of work of public interest.

The bill is as follows:

" [H. R. 6914, 74th Cong., 1st sess.]

"A bill to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes

"Be it enacted, etc., That for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and of insuring coordinated effort by Federal and State agencies in carrying out a comprehensive national program of forest-land management, the Secretary of Agriculture is hereby authorized to enter into cooperative agreements with ap-

propriate officials of any State or States for acquiring in the name of the United States, by purchase or otherwise, such forest lands within the cooperating State as in his judgment the State is adequately prepared to administer, develop, and manage as State forests in accordance with the provisions of this act and with such other terms not inconsistent therewith as he shall prescribe, such acquisition to include the mapping, examination, appraisal, and surveying of such lands and the doing of all things necessary to perfect title thereto in the United States: *Provided*, That, since it is the declared policy of Congress to maintain and, where it is in the national interest to extend the national-forest system, nothing herein shall be construed to modify, limit, or change in any manner whatsoever the future ownership and administration by the United States of existing national forests and related facilities, or hereafter to restrict or prevent their extension through the acquisition by purchase or otherwise of additional lands for any national-forest purpose: *Provided further*, That this act shall not be construed to limit or repeal any legislation authorizing land exchanges by the Federal Government, and private lands acquired by exchange within the limits of any area subject to a cooperative agreement of the character herein authorized shall hereafter be subject to the provisions of this act.

"Sec. 2. No cooperative agreement shall be entered into or continued in force under the authority of this act or any land acquired hereunder turned over to the cooperating State for administration, development, and management unless the State concerned, as a consideration for the benefits extended to it thereunder, complies in a manner satisfactory to the Secretary of Agriculture with the following conditions and requirements which shall constitute a part of every such agreement:

"(a) In order to reduce the need for public expenditures in the acquisition of lands which may be brought into public ownership through the enforcement of appropriate tax delinquency laws, and, by bringing about the handling of such lands upon a sound social and economic basis, to terminate a system of indeterminate and unsound ownership injurious to the private and public interest alike, no additional lands shall be acquired within any State by the United States under this act after June 30, 1942, unless the State concerned has prior thereto provided by law for the reversion of title to the State or a political unit thereof of tax-delinquent lands and for blocking into State or other public forests the areas which are more suitable for public than private ownership, and which in the public interest should be devoted primarily to the production of timber crops and/or the maintenance of forests for watershed protection, and for the enforcement of such law: *Provided*, That in the administration of this act prior to June 30, 1942, preference will be given to States applying for cooperation hereunder which provide by law for such reversion of title under tax delinquency laws.

"(b) In order to insure a stable and efficient organization for the development and administration of the lands acquired under this act, the State shall provide for the employment of a State forester, who shall be a professionally trained forester of recognized standing, and of a State forest organization in which the personnel is technically qualified and employed, advanced, and retained upon the basis of merit. In the administration of this act preference will be given to those States which have provided by law for such employment on a merit basis.

"(c) The Secretary of Agriculture and the appropriate authorities of each cooperating State shall work out a mutually satisfactory plan defining forest areas within the State which can be most effectively and economically administered by said State, which plan shall constitute a part of the cooperative agreement between the United States and the State concerned: *Provided*, That nothing herein shall be held to prevent the Secretary of Agriculture from later agreeing with the proper State authorities to desirable modifications in such plan.

"(d) No payment of Federal funds shall be made for land selected for purchase by the United States under this act until such proposed purchase has been submitted to and approved by the National Forest Reservation Commission created by section 4 of the act approved March 1, 1911 (36 Stat. 961; U. S. C., title 16, sec. 513).

"(e) Subject to the approval of the National Forest Reservation Commission, the Secretary of Agriculture is authorized to pay out of any available money appropriated for carrying out the purposes of this act any State, county, and/or town taxes, exclusive of penalties, due or accrued on any forest lands acquired by the United States under donations from the owners thereof and which lands are to be included in a State or other public forest pursuant to this act.

"(f) The State shall prepare such standards of forest administration, development, and management as are necessary to insure maximum feasible utility for timber production and watershed protection, and are acceptable to the Secretary of Agriculture and shall apply the same to lands acquired and placed under the jurisdiction of the State pursuant to this act.

"(g) That with the exception of such Federal expenditures as may be made for unemployment relief, the State shall pay without assistance from the Federal Government the entire future cost of administering, developing, and managing all forest lands acquired and over which it has been given jurisdiction under this act.

"(h) During the period any cooperative agreement made under this act remains in force, one-half of the gross proceeds from all lands covered by said agreement and to which the United States holds title shall be paid by the State to the United States and covered into the Treasury. All such payments shall be credited

to the purchase price the State is to pay the United States for said land, such purchase price to be an amount equal to the total sum expended by the United States in acquiring said lands. Upon payments of the full purchase price, either as herein provided or otherwise, title to said lands shall be transferred from the Federal Government to the State, and the Secretary of Agriculture is authorized to take such action and incur such expenditures as may be necessary to effectuate such transfer.

"(i) Upon the request of the State concerned, any agreement made pursuant to this act may be terminated by the Secretary of Agriculture. The Secretary of Agriculture may on his own motion terminate any such agreement for any violation of its terms and/or the provisions of this act. If such an agreement is terminated, the Federal-owned lands affected by it shall thereafter be held and administered as are national forest lands acquired by the United States under the act of March 1, 1911 (36 Stat. 961), as amended; but the United States shall reimburse the State for so much of the State funds as have been expended in the administration, development, and management of the lands involved as the Secretary of Agriculture may decide to be fair and equitable.

"(j) The State shall furnish the Secretary of Agriculture with such annual, periodic, or special reports as he may require respecting the State's operations under its agreement with him.

"(k) When a State or political unit thereof acquires under tax delinquency laws title to forest lands without cost to the United States and which lands are included within a State or other public forest, the Secretary of Agriculture, on behalf of the Federal Government, may contribute annually out of any funds made available under this act not to exceed one-half the cost of administering, developing, and managing said lands.

"Sec. 3. For the purposes of this act, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed \$20,000,000."

No man can say just exactly how the money will be allocated until the propositions are presented. I do not want to take up too much of the time of the Committee. Perhaps the first year not even \$1,000,000 will be spent, perhaps the amount may be more. Why is this so? Because some States like the State of New York and the State of Pennsylvania have forestry services developed to such an extent that it is possible there will not be any applications from those States. On the other hand, States like Mississippi, Louisiana, Alabama, South Carolina, Georgia, and others, which have made no progress along this line, or where progress along this line is in its infancy, may have various projects and this proposition will be before them to be taken advantage of as they come forward; each case will stand on its own merits. I am sure there will be no disposition to put more money in one section or in one State than in another any more than there has been with reference to the national-forest program which has been in effect, and which has, in my judgment, given great satisfaction to all the States.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. DOXEY. I yield.

Mr. BACON. As a matter of fact this bill is simply an authorization is it not? This money will have to be appropriated by the Committee on Appropriations each year, and the question of allocation between the several States can be gone into then by the Appropriations Committee.

Mr. DOXEY. I think the distinguished member of the Appropriations Committee has hit the nail on the head. I want to say frankly that in our study of the bill the figure of \$20,000,000 was merely an arbitrary figure and used more or less as an indication of what it would take to carry the program over a number of years. Of course, in some years more money will be spent than in others.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DOXEY. I have merely tried to be conservative in my statement of the facts and figures. I do not desire to take up too much of your time; however, this is a matter in which nearly every State in the Union is interested, and every forester of every State that has had any contact with the program has gone on record as favoring this bill, and many of them have testified to that effect before our committee.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. DOXEY. I yield.

Mr. KELLER. Does the pending bill provide for the taking over of the areas that are being developed by the States?

Mr. DOXEY. Not in the least. In other words, if the States have made such progress as to have a State forest developed, this will possibly augment their plan. The Government wants to encourage them. The Government is doing all it can to broaden the program by saying it will buy the land if the State will administer it. In other words, there may be one or two small areas which would not be large enough to warrant Federal management, but we say to the States, "We will put up the funds to buy the land if you, the State, will administer the land."

Mr. KELLER. I did not make myself plain. In Illinois at the present time, for instance, we have established two large forests.

Mr. DOXEY. Certainly; those are national forests.

Mr. KELLER. Yes. Does the pending bill interfere with the national forests in any way?

Mr. DOXEY. In no way in the world; that is specifically stated. That program is as separate from this as day is from night.

Mr. KELLER. We would not have got anywhere with it if the Federal Government had not stepped in.

Mr. DOXEY. I appreciate that. The same is true in Illinois, Mississippi, and many other States. But wherever these forests have been developed they have been successful, and we feel that the money has been so wisely expended that another expenditure along this line will prove of permanent value to the various States.

Mr. CASTELLOW. Mr. Chairman, will the gentleman yield?

Mr. DOXEY. I yield.

Mr. CASTELLOW. Under the terms of this bill, in the gentleman's opinion, can comparatively small areas be economically handled?

Mr. DOXEY. That is a matter that is up to the State entirely. The Government takes the position that the cost to the Government to manage forest areas is so great because of the necessity of sending trained and experienced workers that it cannot undertake it except in large areas. So in the cases which will be taken care of by the terms of this bill, we say to the States that we will furnish the money to buy the lands if the States will undertake the administration of them. That is a matter of economy for the Government. A matter of choice for the States.

Mr. CASTELLOW. I thank the gentleman.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DOXEY. I yield.

Mr. DONDERO. The gentleman from North Carolina said that the Federal Government would lend the money to various States for the purpose of putting these areas under reforestation. What interest will the Government charge the various States for the money so lent?

Mr. DOXEY. I may say to the gentleman from Michigan that the Government does not lend the States a dime. In effect the Government says to the States that it will purchase the acreage if the State will administer it and the State can buy it back from the Federal Government for just what the Government has in it.

Mr. DONDERO. Without paying interest?

Mr. DOXEY. And there is no interest charged, even over a long period. The Federal Government says to the States that they may repurchase these forests from the Federal Government, but so long as the States do not pay the Government just what the Government paid out, the title remains in the Federal Government if the Government buys them. You understand that if in the beginning the State owned the land, as in the case of tax-delinquent lands, the Government then only contributes one-half of the expenses of administration and the title to the lands is in the State. The only case where a resale or repurchase is necessary is when the Government in the beginning purchases the land from individuals or corporations. The Government furnishes the money only when it is necessary, and if the State desires to do so, it can repurchase the land by paying for it over a long period of time.

When the Government is paid, we are hopeful it may be conveyed to the States with all the improvements thereon. So there are no interest charges, and it is not a loan. It is a trade. In other words, it is a purchase and a repurchase, or a sale and a resale.

Mr. PIERCE. Will the gentleman yield?

Mr. DOXEY. I yield to the gentleman from Oregon.

Mr. PIERCE. May I say that there has been no activity in the West on the part of the commission of which the gentleman is a member. The intention of this bill is to make it national?

Mr. DOXEY. Yes.

Mr. PIERCE. Why have we not had anything done in the West under the present commission?

Mr. DOXEY. There was no desire in the world to discriminate. We have not gone west of the Mississippi River for the reason that there are millions of acres in national parks out in the gentleman's State and adjoining States, while the States back here did not have a nucleus or anything with which to start. Our funds were extremely limited, and we could not scatter out in a national way.

Mr. PIERCE. Our forests are disappearing rapidly. The idea of this bill is a national one?

Mr. DOXEY. Yes.

[Here the gavel fell.]

Mr. FULMER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. LORD. Will the gentleman yield?

Mr. DOXEY. I yield to the gentleman from New York.

Mr. LORD. I have not clear in my own mind one question. Could a county take advantage of this measure if it has tax land available?

Mr. DOXEY. That question came up before. The language sets out the State as a unit or a subdivision thereof. Of course, where they have State laws under which the tax title is vested in a county and not in the State, certainly that would be a subdivision of the State. It is a quasi-political unit to say the least, and there is no question in my mind if the county can make certain arrangements with the State forestry service to administer it, and can show good cause, the county may take advantage. But no counties have a separate forest administration service; therefore there has to be an understanding and cooperation between the county and the State as to how it is to be administered and how it is to be established.

Mr. MOTT. Will the gentleman yield?

Mr. DOXEY. I yield to the gentleman from Oregon.

Mr. MOTT. There seems to be no provision in this bill covering reimbursement to the State on account of the vesting of this land in the Federal Government. When it is vested in the Federal Government by purchase it goes off the tax rolls and the State would lose the tax revenue. There is no provision for reimbursement to the State on account of that tax loss?

Mr. DOXEY. No. That provision is not in any forest law either. That is the one argument that is advanced against establishing forests, national, State, or otherwise, in a State, because all publicly owned land naturally goes off the tax rolls. The argument that meets that contention is that it is a type of land that is already off the tax rolls, because you cannot make a living on it or use it for any other purpose, and, if the State does not want to lose the revenue they must not ask the Government for funds with which to buy the land for forestry purposes.

Mr. MOTT. If I may correct the gentleman, he has not stated the situation quite accurately. There is a great deal of Federal land in the western part of the United States, particularly in the State of Oregon, which is revested land, which was formerly in private ownership and now vested in the Government.

Mr. DOXEY. As a national forest?

Mr. MOTT. The land I refer to particularly is the Oregon-California grant lands.

Mr. DOXEY. I was referring to that land in national forests.

Mr. MOTT. There was an attempt made to put a provision in the Revesting Act to reimburse the State for tax loss on account of such revestment of land. It has not worked out very well. I have a bill now pending in Congress which I am hoping to get approval of from the Interior Department, which will actually provide for reimbursement to the State on account of the tax loss occurring through revestment of the land.

In regard to national forests, I may say that land was not taken off the tax rolls, nor did the State have anything to do with it, because the national forests in the West were owned by the Government before the States were ever admitted to the Union; so the States had nothing to say about that matter. As a condition to our admission into the Union we were forced to give the Federal Government all the land they wanted, so that it cannot be said that that land has actually been taken off the tax rolls.

Mr. DOXEY. The land never was on the tax rolls.

Mr. MOTT. The land never was on the tax roll. But under this bill the Government would acquire land now on the tax roll. May I ask the gentleman if he does not think in a transfer of that kind provision should be made to reimburse the State in which the land is located for the tax loss which will occur by reason of the vesting of the title to this land in the Federal Government?

Mr. DOXEY. I can appreciate the gentleman's position, but if that provision is put in the bill it would be contrary to existing law, and the gentleman can see what a complicated ramification there would be in connection with this effort. There are many benefits to be derived from this bill. Here is a benefit that goes to the State that we have not considered under existing law. If there is any revenue from any of these forests, a portion of it goes to the State, which will be used for school and road purposes. I can cite you the case of the Pisgah National Forest in North Carolina. The income from that forest has amounted to more than all the taxes that would have been collected if they had been collecting taxes on the land within that forest since it was established as a national forest. [Applause.]

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, we have no requests for time on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. No cooperative agreement shall be entered into or continued in force under the authority of this act or any land acquired hereunder turned over to the cooperating State for administration, development, and management unless the State concerned, as a consideration for the benefits extended to it thereunder, complies in a manner satisfactory to the Secretary of Agriculture with the following conditions and requirements which shall constitute a part of every such agreement:

(a) In order to reduce the need for public expenditures in the acquisition of lands which may be brought into public ownership through the enforcement of appropriate tax delinquency laws, and, by bringing about the handling of such lands upon a sound social and economic basis, to terminate a system of indeterminate and unsound ownership injurious to the private and public interest alike, no additional lands shall be acquired within any State by the United States under this act after June 30, 1942, unless the State concerned has prior thereto provided by law for the reversion of title to the State or a political unit thereof of tax-delinquent lands and for blocking into State or other public forests the areas which are more suitable for public than private ownership, and which in the public interest should be devoted primarily to the production of timber crops and/or the maintenance of forests for watershed protection, and for the enforcement of such law: *Provided*, That in the administration of this act prior to June 30, 1942, preference will be given to States applying for cooperation hereunder which provide by law for such reversion of title under tax delinquency laws.

(b) In order to insure a stable and efficient organization for the development and administration of the lands acquired under this act, the State shall provide for the employment of a State forester, who shall be a professionally trained forester of recognized standing, and of a State forest organization in which the personnel is technically qualified and employed, advanced, and retained upon the basis of merit. In the administration of this act preference will be given to those States which have provided by law for such employment on a merit basis.

(c) The Secretary of Agriculture and the appropriate authorities of each cooperating State shall work out a mutually satisfactory plan defining forest areas within the State which can be most

effectively and economically administered by said State, which plan shall constitute a part of the cooperative agreement between the United States and the State concerned: *Provided*, That nothing herein shall be held to prevent the Secretary of Agriculture from later agreeing with the proper State authorities to desirable modifications in such plan.

(d) No payment of Federal funds shall be made for land selected for purchase by the United States under this act until such proposed purchase has been submitted to and approved by the National Forest Reservation Commission created by section 4 of the act approved March 1, 1911 (36 Stat. 9661; U. S. C., title 16, sec. 513).

(e) Subject to the approval of the National Forest Reservation Commission, the Secretary of Agriculture is authorized to pay out of any available money appropriated for carrying out the purposes of this act any State, county, and/or town taxes, exclusive of penalties, due or accrued on any forest lands acquired by the United States under donations from the owners thereof and which lands are to be included in a State or other public forest pursuant to this act.

(f) The State shall prepare such standards of forest administration, development, and management as are necessary to insure maximum feasible utility for timber production and watershed protection, and are acceptable to the Secretary of Agriculture and shall apply the same to lands acquired and placed under the jurisdiction of the State pursuant to this act.

(g) That with the exception of such Federal expenditures as may be made for unemployment relief, the State shall pay without assistance from the Federal Government the entire future cost of administering, developing, and managing all forest lands acquired and over which it has been given jurisdiction under this act.

(h) During the period any cooperative agreement made under this act remains in force, one-half of the gross proceeds from all lands covered by said agreement and to which the United States holds title shall be paid by the State to the United States and covered into the Treasury. All such payments shall be credited to the purchase price the State is to pay the United States for said land, such purchase price to be an amount equal to the total sum expended by the United States in acquiring said lands. Upon payments of the full purchase price, either as herein provided or otherwise, title to said lands shall be transferred from the Federal Government to the State, and the Secretary of Agriculture is authorized to take such action and incur such expenditures as may be necessary to effectuate such transfer.

(i) Upon the request of the State concerned, any agreement made pursuant to this act may be terminated by the Secretary of Agriculture. The Secretary of Agriculture may on his own motion terminate any such agreement for any violation of its terms and/or the provisions of this act. If such an agreement is terminated, the Federal-owned lands affected by it shall thereafter be held and administered as are national-forest lands acquired by the United States under the act of March 1, 1911 (36 Stat. 961), as amended; but the United States shall reimburse the State for so much of the State funds as have been expended in the administration, development, and management of the lands involved as the Secretary of Agriculture may decide to be fair and equitable.

(j) The State shall furnish the Secretary of Agriculture with such annual, periodic, or special reports as he may require respecting the State's operations under its agreement with him.

(k) When a State or political unit thereof acquires under tax-delinquency laws title to forest lands without cost to the United States and which lands are included within a State or other public forest, the Secretary of Agriculture, on behalf of the Federal Government, may contribute annually out of any funds made available under this act not to exceed one-half the cost of administering, developing, and managing said lands.

Mr. GEHRMANN. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. GEHRMANN: On page 6, line 18, strike out all of subsection (i) of section 2, down to and including line 5, on page 7, and insert in lieu thereof the following:

"(i) Upon the request of the State concerned, any agreement made pursuant to this act may be terminated by the Secretary of Agriculture. The Secretary of Agriculture may, with the consent and approval of the National Forest Reservation Commission, after due notice given the State and hearing held by said Commission, terminate any such agreement for violations of its terms and/or the provisions of this act. If such agreement is terminated, the United States shall reimburse the State for so much of the State funds as have been expended, in the administration, development, and management of the lands involved as the Secretary of Agriculture may decide to be fair and equitable."

Mr. GEHRMANN. Mr. Chairman, this amendment was sent to me through Senator La FOLLETTE, who had received it from Mr. Immel, chairman of the Wisconsin Conservation Commission.

The amendment would leave the language practically as it is now, except, as the bill is now, it provides that the Secretary of Agriculture, upon his own motion, without consulting anyone else, can terminate any such agreements.

The amendment provides that he must first have the consent of the National Forest Reservation Commission, which

is also a Government agency, and that the State may ask for a hearing to be held. After this the matter is left up to the Commissioner just the same as the bill provides with respect to the amount that may be paid the State or the amount the State is to be reimbursed.

So the amendment does not change the bill except to provide that they must have the consent of the Reservation Commission and must notify the State conservation commission and if they so desire they may demand a hearing. This is all the change that is involved in the amendment.

Mr. DOXEY. Mr. Chairman, will the gentleman yield for one question to clear the matter in my own mind?

Mr. GEHRMANN. Yes.

Mr. DOXEY. If the State makes a request to be released or asks that the contract be terminated, who would submit any objection to the Secretary of Agriculture objecting to the Secretary doing the very thing that he has been requested to do by the other party to the contract? I think it is an entirely useless amendment, because the whole thing comes at the request of the very people that the gentleman feels may not have a voice in the matter.

Mr. HOPE. Mr. Chairman, if the gentleman will yield to me, let me ask the gentleman from Wisconsin if the effect of his amendment is not simply to take away from the Secretary of Agriculture the arbitrary power of terminating these agreements, and does not the amendment provide that they may only be terminated after the matter has been submitted to the National Forest Reservation Commission? As I understand it, this is the only change of any importance. It provides that the National Forest Reservation Commission must pass upon the matter of terminating the agreement rather than leaving it entirely in the hands of the Secretary of Agriculture.

Mr. DOXEY. I want to do anything that will make the measure more effective, but the membership of the National Forest Reservation Commission when Congress is not in session is scattered throughout the United States. We are not here except when Congress is in session and when we are called it is on some very important matter. It looks to me as if the language of the bill is proper and right and would be in the interest of the expeditious handling of the matter, and, to be frank, I do not see why it should be necessary for the National Forest Reservation Commission to have to pass on this at all. If I could agree with the gentleman, I would be very pleased to do so.

Mr. HOPE. If the gentleman will permit further, this is a rather drastic power which is given the Secretary of Agriculture, because it provides that he may, on his own motion, terminate any such agreement for any violation of its terms and/or the provisions of this act. It makes the Secretary of Agriculture the accuser, the judge, and the jury, and everything else. The Secretary of Agriculture would have to initiate the proceedings and then pass on it. It seems to me it is only fair it should be passed on by some other tribunal, and as I understand it, this is all the amendment attempts to do.

Mr. GEHRMANN. The conservation commission of my State feels that the National Forest Reservation Commission, in the first place, must pass on the validity or the advisability of buying these lands. Mr. Immel, the chairman of the conservation commission, is a particular friend of our present Secretary of Agriculture, but, as he says, we do not know who may be in the chair as Secretary of Agriculture in the future, and in the friendliest of spirit he has advised us this should be changed, because it should not be left to one man's judgment, and there should be more than one man to pass on whether or not they should terminate their agreement with any State. This is the only reason for the amendment, and it is simply a precautionary measure for the future.

In my district we have one million and a half acres of land under Government supervision, and Mr. Immel stated that it is of more importance to my district than any other, and that is why he sent this proposed amendment to me.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DOXEY. Mr. Chairman, will the gentleman yield?

Mr. GEHRMANN. Certainly.

Mr. DOXEY. I believe that any Secretary of Agriculture, if he knows the spirit of this legislation, is going to do everything he can to get the States to continue to operate these forests and improve them, because it is a State matter, you may say, instead of a Federal Government matter. I do not believe any Secretary of Agriculture would want to go out and say, unjustifiably, that a State should terminate its activities unless there should be a flagrant violation. I know we are anxious to vote on this matter; and if my other colleagues agree with me, I do not see any harm in the amendment, and if the gentleman insists and it is agreeable to my friends here, we will accept the amendment.

Mr. GEHRMANN. One paragraph of this letter to me reads:

This, in my judgment, makes it possible for the Government or the Secretary of Agriculture in the future, through manipulation, to get control of the area and preclude the State from having any further control or jurisdiction of the same.

I do not doubt that the present administration would be fair and would not do anything injurious to any State; but this is to be a long-term program, and we should not have to be dependent on any one man that may be the Secretary of Agriculture in the future to be the sole judge whether or not any State has violated any agreement made with the Federal Government.

I am afraid of the future and not of the present.

Mr. DOXEY. Let me ask the gentleman a question: Without again reading your amendment, would you let your amendment say "the Secretary of Agriculture, with the approval of the National Forest Reservation Commission", and then leave the other language like it is? I think, if you do that, it would answer the gentleman's purpose.

Mr. GEHRMANN. I am perfectly willing to do that.

Mr. DOXEY. Let it read:

The Secretary of Agriculture, with the approval of the National Forest Reservation Commission, may terminate—

And so forth.

Mr. JONES. I believe the amendment is better as it is, so that the veto power would be in the Commission.

Mr. GEHRMANN. Mr. Chairman, let the amendment be again read.

The Clerk again reported the amendment.

Mr. DOXEY. Now, in lieu of the language in the amendment, let it read, "The Secretary of Agriculture, with the approval of the National Forest Reservation Commission, may terminate", and so forth.

Mr. GEHRMANN. The only objection would be that it should read, "after due notice of a hearing" that would compel them to allow the State to be heard before they actually canceled agreements. I will be satisfied for the chairman of the committee to fix it up having that in mind.

Mr. BOILEAU. Mr. Chairman, I move to strike out the last word. I do this in order that we may have sufficient time to come to an agreement. I understand the language of the present section of the bill provides that upon request the State concerned and the Secretary of Agriculture can terminate the agreement. The amendment does not change that. The bill, however, gives the Secretary of Agriculture, on his own motion, the right to terminate the agreement for violation of its terms, and it seems to me that the States should have some notice and a hearing before this is done. The amendment gives a State an opportunity for a hearing, and the Secretary must have the approval of the Forest Reservation Commission before he can terminate the agreement for alleged violations of the agreement or the law. In other words, it gives the State some protection. It gives an opportunity for a hearing, and makes it necessary for the approval of the Commission before the Secretary of Agriculture can terminate the agreement on his own motion. It seems to me to be a very reasonable provision, and I sincerely hope the gentleman in charge of the bill will accept the amendment.

Mr. ANDRESEN. Will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. ANDRESEN. The bill provides that if a State wants to terminate an agreement, it makes application to the Secretary?

Mr. BOILEAU. That is right.

Mr. ANDRESEN. I really cannot see the necessity for a hearing if the State makes the request.

Mr. BOILEAU. That is perfectly all right. My colleague's amendment does not change that in any respect, but the next sentence reads that upon the Secretary's own motion he may terminate the agreement for violation of the terms of the agreement. In that case the amendment offered by the gentleman from Wisconsin permits the State to have an opportunity for a hearing and makes the action of the Secretary subject to the approval of the Commission.

Mr. JONES. Why would it not correct the situation by simply inserting the words "after notice and opportunity for hearing"?

Mr. BOILEAU. My recollection is that the amendment suggested by the gentleman from Mississippi [Mr. DoxeY] applies only to the first sentence. There does not seem to be any necessity for changing that.

Mr. JONES. But I am talking about the second sentence. You would be compelled to have a hearing, regardless of how trivial it might be.

Mr. BOILEAU. Where would the gentleman suggest putting in that language?

Mr. JONES. Why not make it read "the Secretary of Agriculture may, after notice and opportunity for hearing"?

Mr. BOILEAU. And subject to the approval of the Commission?

Mr. JONES. Yes.

Mr. BOILEAU. I think that accomplishes the same thing as the gentleman's amendment.

Mr. JONES. As I read the amendment, you would be compelled to have a hearing.

Mr. GEHRMANN. Of course, this was drafted by the Conservation Commission, but the intent is not to have a hearing when the State asks to terminate this contract, but when the Secretary of Agriculture thinks there has been a violation, there must be a hearing, so that he, upon his own motion, cannot terminate the contract. In that case only will it give them some protection and give them a chance for a hearing.

Mr. JONES. Well, "opportunity for a hearing", but you would not want to require a hearing to be conducted on a small matter.

Mr. GEHRMANN. I would think, if the Secretary of Agriculture charges some irregularity or claims that the State has not lived up to its contract, the State then should be allowed a hearing.

Mr. JONES. The only change I suggest is "opportunity for a hearing", without requiring a hearing. Suppose they give notice of a hearing and they tell them that they do not want a hearing?

Mr. GEHRMANN. That is the way my amendment reads. If both parties deem it necessary that a hearing be had, then it shall be given. It provides that a hearing may be held. I am quite sure that is the way it reads. It does not say "must."

Mr. BOILEAU. Certainly the State could waive its right to a hearing, even though the law gave the State the right to demand a hearing. If it was such a trivial matter, the State would perhaps not demand a hearing.

Mr. JONES. It says:

The Secretary of Agriculture may, with the consent and approval of the Commission, after due notice given the State and hearing held.

Mr. BOILEAU. Could we not correct the entire matter by accepting the gentleman's amendment and having it read "after due notice and opportunity for hearing"?

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. BOILEAU. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered. There was no objection.

Mr. BOILEAU. Will the gentleman be satisfied with the amendment if it reads "after due notice and opportunity for hearing"?

Mr. JONES. I think that would be all right. The amendment as it now reads would require a hearing.

Mr. GEHRMANN. Mr. Chairman, I ask unanimous consent to modify the amendment to include the words "and opportunity for a hearing."

Mr. JONES. Strike out "and hearing held" and insert in lieu thereof "an opportunity for a hearing by said commission."

Mr. GEHRMANN. That is satisfactory to me.

The CHAIRMAN. The gentleman from Wisconsin [Mr. GEHRMANN] asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. GEHRMANN to the amendment: Strike out "and hearing held" and insert "an opportunity for a hearing."

The CHAIRMAN. The question is upon agreeing to the amendment.

Mr. RANDOLPH. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise at this time to say that the State of West Virginia, through its conservation commission, has given its unqualified approval of the legislation which bears the name of our colleague [Mr. FULMER]. In West Virginia we now have about 1,000,000 acres in the Monongahela National Forest. It is the largest national forest east of the Mississippi River. We also have thousands of acres contained in the George Washington National Forest. At the present time we are trying to coordinate the Federal acquisition of forest lands with our State forest policy, and Maj. H. W. Shawhan, who is leading in the conservation movement in West Virginia from the standpoint of State activities, has given his approval to this measure.

I simply want to add at this time the backing of the State of West Virginia, through its conservation commission, and to express my personal appreciation of the bringing of such legislation to this floor, because I believe it will be most helpful in the coordinating of Federal and State activities in forestry policies and conservation in future years.

The pro forma amendments were withdrawn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McLAUGHLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 6914) to authorize cooperation with the several States for the purpose of stimulating the acquisition, development, and proper administration and management of State forests and coordinating Federal and State activities in carrying out a national program of forest-land management, and for other purposes, pursuant to House Resolution 223, he reported the bill back to the House with an amendment adopted by the Committee.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOY SCOUT JAMBOREE, 1935

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes for the purpose of propounding a request for the present consideration of House

Joint Resolution 285, with the end in view of saving considerable time.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, the Committee on Immigration and Naturalization has favorably reported to this House Joint Resolution 285 to permit the admission of Boy Scouts and their officials and executives from foreign countries for the purpose of participating in the national jamboree that is to take place this summer in the city of Washington, without payment of visa fees, head tax, or customs duties on personal effects or paraphernalia to be used in connection with that jamboree.

This is the first thing of the kind that has taken place in the history of our Republic. The President of the United States has invited the Boy Scouts of other nations to participate with our American Boy Scouts. Heretofore, several times, other countries have invited our American Boy Scouts, their officials, their executives, and also parents and guardians to come to foreign shores, and they were well treated and well taken care of, and this measure only seeks to assist our Boy Scouts to extend the same kind of treatment to their Boy Scout guests from other lands.

This resolution permits the Boy Scouts and their officers and their executives to come into this country for the purpose of attending this jamboree without paying the usual visa fees and without paying the \$8 head tax and without having to pay customs duties on their effects. I feel this privilege may well be extended to accompanying parents and guardians of these alien Boy Scout participants.

There are certain amendments to the resolution which were agreed to by the committee at our meeting this morning.

At the proper time these supplementary amendments will be submitted for your consideration. I am not now submitting them, but I desire now simply to give you the purpose of them. First, we would permit waiver of payment of visa fees, head tax, and certain customs duty in the cases of any parents or guardians of these alien Boy Scout participants just in the same way this resolution as reported does with regard to Boy Scout participants, Boy Scout officials, and Boy Scout executives; second, we will propose a new proviso at the end of section 1, which would place all these aliens benefited by this resolution under proper regulations to safeguard their return abroad at the conclusion of their visit here for this jamboree.

Mr. Speaker, I now ask unanimous consent for the present consideration of House Joint Resolution 285 as amended.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. BLANTON. Mr. Speaker, reserving the right to object—and I shall not—we, who had some objections to the resolution, have had an understanding with the chairman of the committee that he will ask for the passage of the amended bill as it was reported by his committee on May 14. With that understanding there will be no objection.

Mr. DICKSTEIN. That was agreed upon.

Mr. BLANTON. With such agreement from the chairman, there will be no objection. But there would have been objection, had the gentleman sought to place in the bill the amendments he had his committee agree to this morning, which would have permitted the parents and guardians of foreign Boy Scouts to have accompanied them.

When, on May 10, 1935, the gentleman from New York [Mr. DICKSTEIN] introduced this House Joint Resolution 285, it embraced the following language:

That alien participants, officials, and other accredited members of delegations—

And also the following all-embracing language—and members of the immediate families of the foregoing—

Which was objected to because under such language a horde of foreigners could get into the United States. I went before his committee, in its hearing on the bill, and

urged the committee to amend the bill, and the committee did amend it, and I quote from the commendable report of the committee, filed by our distinguished friend and colleague from Alabama [Mr. STARNES] on May 14, 1935, Report No. 887, the following, to-wit:

The committee amendments are as follows:

First. On page 1, in line 2, after the word "alien", insert the words "Boy Scout."

Second. On page 1, line 3, after the comma, following the word "participants", strike out the words "officials, and other" and in lieu thereof insert the words "Boy Scout officials, and Boy Scout executives, who are."

Third. On page 1, in lines 5 and 6, after the numerals "1935", strike out the comma and the words "and members of the immediate families of the foregoing."

Hence, Mr. Speaker, with the amendments adopted by the committee, the language in the amended bill now reads:

That alien Boy Scout participants, Boy Scout officials, and Boy Scout executives who are accredited members of delegations to the National Boy Scout Jamboree to be held in the United States in 1935—

And so forth; and the words "and members of the immediate families of the foregoing" has been stricken out of the bill.

The gentlemen from New York at a meeting this morning had some kind of an amendment authorized, again attempting to allow "parents and guardians" to come with the Boy Scouts, to which we could not agree. On no hike taken by any Boy Scouts have they ever taken their parents and guardians with them. They do not hike with parents and guardians. Hence it is not necessary for them to jamboree with parents and guardians. But the gentleman from New York [Mr. DICKSTEIN] has agreed not to offer any amendments considered in the meeting this morning but to pass the amended bill just as his committee reported it on May 14, 1935, through the report, no. 887, filed by Mr. STARNES; hence we are willing to help him pass the bill so amended May 14, 1935, by unanimous consent.

The report shows that 60 foreign countries have been invited and are expected to send delegations of alien Boy Scouts, Scout officials, and Scout executives. That will bring quite a lot of foreigners into the United States without bringing their parents and guardians.

The committee report, No. 887, shows that the above amendments now in the bill we are to pass are approved by the representatives of the Boy Scouts of America and the representatives of the State Department, the Department of Labor, and the Treasury Department.

Under the above circumstances, Mr. Speaker, I am glad to help pass the properly amended bill and have no objection to it.

Mr. GREEN. Mr. Speaker, reserving the right to object, this bill does not in any way permit them to remain here, does it?

Mr. DICKSTEIN. No.

Mr. GREEN. It permits them to come in for this event only?

Mr. DICKSTEIN. Yes.

Mr. GREEN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That alien participants, officials, and other accredited members of delegations to the National Boy Scout Jamboree to be held in the United States in 1935, and members of the immediate families of the foregoing, all of whom are nonimmigrants, if otherwise admissible into the United States under the immigration laws, shall be exempted from the payment of the tax of \$8 prescribed by section 2 of the Immigration Act of 1917, and exempted from the fees prescribed by law to be collected in connection with executing an application for a visa and visaing the passport or other travel document of an alien for the purpose of entering the United States as a nonimmigrant, and such aliens shall not be required to present official passports issued by the governments to which they owe allegiance: *Provided*, That aliens shall be in possession of official Boy Scout identity cards issued by their own government or issued by the International Committee of the Boy Scouts indicating their Boy Scout status and nationality, and duly visaed without charge by American consular officers abroad:

And provided further, That such aliens shall comply with regulations not inconsistent with the foregoing provisions which shall be prescribed by the Secretary of Labor and Secretary of State: *Provided, however*, That nothing herein shall relieve an alien from being required to obtain a gratis nonimmigration visa if coming to the United States as a nonimmigrant, or an immigration visa if coming to the United States as an immigrant.

SEC. 2. That such aliens shall be permitted the free entry of their personal effects and their equipment to be used in connection with the National Boy Scout Jamboree, under such regulations as may be prescribed by the Secretary of the Treasury.

With the following committee amendments:

Page 1, lines 3 and 4, strike out "That alien participants, officials, and other accredited members" and insert in lieu thereof "That alien Boy Scout participants, Boy Scout officials, and Boy Scout executives who are accredited members."

Page 1, lines 7 and 8, strike out the words "and members of the immediate families of the foregoing."

The committee amendments were agreed to.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Resolution 224 was laid on the table.

MALISSA WORTHLEY

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts.

The Clerk read as follows:

House Resolution 216 (Rept. No. 977)

Resolved, That there shall be paid out of the contingent fund of the House to Malissa Worthley, of Cordell, Okla., mother of Vivian Worthley, late an employee of the House, an amount equal to 6 months' compensation of the said Vivian Worthley, at the rate of \$125 per month, and an additional amount, not to exceed \$250, to defray funeral expenses of the said Vivian Worthley.

The resolution was agreed to; and a motion to reconsider was laid on the table.

AMERICAN RETAIL FEDERATION

Mr. WARREN. Mr. Speaker, I offer a privileged resolution.

The Clerk read as follows:

House Resolution 226 (Rept. No. 978)

Resolved, That the expenses of conducting the investigation authorized by House Resolution 203, incurred by the special committee to investigate the American Retail Federation, acting as a whole or by a subcommittee, not to exceed \$2,500, including expenditures for the employment of experts and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, or by any subcommittee thereof conducting such investigation, signed by the chairman of the committee and approved by the Committee on Accounts.

With the following committee amendment:

At the end of the resolution add the following:

"Sec. 2. That the official committee reporters shall serve said committee at its meeting in the District of Columbia."

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield for a question?

Mr. WARREN. I yield.

Mr. DICKSTEIN. Is this the Cochran resolution to investigate retail merchants who have been distributing propaganda regarding legislation pending in Congress?

Mr. WARREN. The gentleman is correct.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON MILITARY AFFAIRS

Mr. ANDREWS of New York. Mr. Speaker, by direction of the Committee on Military Affairs, I ask unanimous consent that the bill (S. 2105) to provide for an additional number of cadets at the United States Military Academy, be recommitted to the committee in order that the committee may submit a corrected report thereon.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. DOXEY. Mr. Speaker, I ask unanimous consent that those Members who spoke on the bill H. R. 6914, the forest land management bill, may have the privilege of revising and extending their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

GENERAL CASIMIR PULASKI

Mr. CITRON. Mr. Speaker, I ask unanimous consent to take from the table House Joint Resolution 107, authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the President of the United States is authorized and directed to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11 of each year and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

With the following committee amendments:

Page 1, strike out "11 of each year" and insert in lieu thereof "11, 1935."

Amend the title so as to read: "Joint resolution authorizing the President of the United States of America to proclaim October 11, 1935, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski."

The committee amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes, to explain the urgency existing for the immediate consideration of a bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

COMPACT BETWEEN STATES OF NEW MEXICO, COLORADO, AND TEXAS

Mr. MARTIN of Colorado. Mr. Speaker, this is a bill introduced by myself and favorably reported by the Committee on Irrigation and merely extends for the term of 2 years the life of a compact between the States of Colorado, New Mexico, and Texas, enabling these States to make an equitable division of the waters of the Rio Grande, which compact was ratified by an act of the Seventy-first Congress on June 17, 1930. The date for the completion of performance by the States under the compact, which has not yet been perfected, expires June 1 next. This means there are only 8 days remaining to get this bill through both Houses of Congress and to the President.

The legislatures of the three States of Colorado, New Mexico, and Texas have each by recent joint resolutions ratified this extension for 2 years and memorialized the Congress to grant the extension. There is no controversy involved in the bill, and there is no expenditure involved. If it were not for the urgency of time, I would not be on the floor begging you for consideration.

The report of the Secretary of the Interior on this bill, which is brief, is as follows:

DEPARTMENT OF THE INTERIOR,
Washington, May 10, 1935.

HON. COMPTON I. WHITE,
Chairman Committee on Immigration and Reclamation,
House of Representatives.

MY DEAR MR. WHITE: I have received your letter of May 4, enclosing for report by me a copy of H. R. 7873, to give the consent and approval of Congress to a 2-year extension from June 1, 1935, of the provisions of the existing Rio Grande compact, approved by Congress June 17, 1930 (46 Stat. 767).

The files do not contain a showing that the proposed extension has been adopted by Texas or by Colorado. Section 1 of the bill recites that the extension was ratified by Colorado by act approved April 13, 1935, and by Texas by act approved April 18, 1935. On the assumption that such recital corresponds to the facts, there is no objection on the part of the Department to the enactment of the bill.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

As soon as I learned from the report that the ratifying acts of the States of Colorado and Texas had not been filed with the Secretary of the Interior, I wired Hon. Paul P. Prosser, attorney general of Colorado, who secured prompt compliance, and these ratifications have been filed by me in the proper office.

This compact is of the utmost importance to the three States concerned. Duly authorized commissions of each State have held a series of conferences to effect an understanding and agreement between them with respect to an equitable division of the waters of the Rio Grande River, which originates in my district. The proposed extension of time will be ample to enable them to determine whether they can or cannot agree. I believe they can. There are imperative reasons, which I have not the time now to go into, why they should. If they fail, the Government can suffer no harm through the extension prayed for.

Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7873) to give the consent and approval of Congress to the extension of the terms and provisions of the present Rio Grande compact signed at Santa Fe, N. Mex., on February 12, 1929, and heretofore approved by act of Congress dated June 17, 1930 (Public, No. 370, 71st Cong., 46 Stat. 767).

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Whereas the duly accredited commissioners representing the States of Colorado, New Mexico, and Texas, respectively, signed the Rio Grande compact at Santa Fe, N. Mex., on the 12th day of February 1929, and which said compact was thereafter duly ratified by the legislature of each of the aforesaid States and approved by act of Congress on June 17, 1930 (Public, No. 370, 71st Cong., 46 Stat. 767); and

Whereas the legislature of each of the aforesaid States has by appropriate legislation, and pursuant to the express provisions of article 14 of said compact, extended the said compact for the term of 2 years from June 1, 1935, to June 1, 1937: Now, therefore, *Be it enacted, etc., That the consent and approval of Congress is hereby given to the extension of the provisions of said Rio Grande compact, and all the terms thereof for the period of 2 years from June 1, 1935, to June 1, 1937, as heretofore ratified by the Legislature of the State of Colorado by act approved April 13, 1935, by the Legislature of the State of New Mexico by act approved February 25, 1935, and by the Legislature of the State of Texas by act approved April 18, 1935.*

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SIROVICH. Mr. Speaker, for over 2 months the Committee on Patents has been holding hearings on H. R. 4523. Serious charges have been preferred against certain men. The committee unanimously voted to send a letter requesting these men to appear before our committee. This request was ignored. The committee unanimously voted a second time to notify these people to come before the committee. The second request was ignored. The committee then unanimously voted—Republican, Democratic, and Farmer-Laborite members—to request the House to have the privilege of issuing subpoenas summoning these witnesses to testify before our committee, and to do such other acts de-

scribed in House Resolution 196 as may be necessary. It is in conformity with that sentiment unanimously expressed that I at this time ask unanimous consent for the immediate consideration and passage by the House of House Resolution 196.

The Clerk read the resolution, as follows:

Whereas various witnesses invited and requested to appear before the Committee on Patents of the House of Representatives at hearings on H. R. 4523 have failed to appear and have not appeared before the committee, so that the committee was unable to continue its hearings on the bill; and

Whereas at an executive session of the Committee on Patents held March 7, 1935, the chairman was unanimously authorized by the committee to prepare a resolution to be brought before the Rules Committee of the House, which resolution would empower the Committee on Patents to take such action as would enable the committee to determine the advisability of carrying to realization the principles embodied in H. R. 4523, to sift evidence and testimony that had been brought before the committee at previous hearings and to bring such witnesses before the committee as would enable the committee to ascertain the truth or falsity of the serious charges made at these hearings: Therefore be it

Resolved, That for the purpose of securing information relative to the matters contained in H. R. 4523 the Committee on Patents, as a whole or by subcommittee, is authorized to sit and act during the present Congress at such times and places, in the District of Columbia or elsewhere, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses, and the production of such books, papers, and documents, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman and may be served by any person designated by him. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to H. R. 4523, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, reserving the right to object, I suggest that the gentleman leave out all of the "whereases." Outside of that I have no objection to the resolution.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, this form of resolution authorizing one of the standing committees to have power to subpoena witnesses is usually referred to the Committee on Rules. We have a great number of these resolutions pending. They are always considered with a great deal of care, because some of the experiences in the past have not justified the granting of that power. We recently granted the District of Columbia Committee in connection with the crime investigation this power which has given rise to a great deal of comment on both sides of the question. The Committee on Rules has not had a hearing on this matter for the reason it has been busy with a number of measures, principally those on the administration program. We have it on our calendar. We take up these things when we get to them, but we cannot possibly handle all the rules requested in 1 week on the 8,600 bills which have been introduced during this session of Congress and the thousand bills which have been reported out of committees. That is physically impossible. I think the distinguished gentleman from New York [Mr. SNELL], for 8 years Chairman of the Rules Committee, will corroborate me, that it would be impossible for the Rules Committee to report out all of the rules requested by the standing committees, all of which were important to the introducers and all of which are of some importance to the committee which reported them.

Mr. Speaker, I have no objection to this resolution, requested by my dear friend from New York [Mr. SIROVICH], but, as I say, it is a matter that is still pending before the Rules Committee.

Mr. MILLARD. Mr. Speaker, in order to preserve the orderly and regular procedure I object and ask that this go back to the Rules Committee.

BRIDGE ACROSS ST. LAWRENCE RIVER AT OGDENSBURG, N. Y.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2311) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdens-

burg, N. Y., and immediately consider the bill. I may say there is a similar House bill on the calendar.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y., authorized to be built by the St. Lawrence Bridge Commission by an act of Congress approved June 14, 1933, heretofore extended by an act of Congress approved June 8, 1934, are hereby further extended 1 and 3 years, respectively, from June 14, 1935.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 6780) was laid on the table.

BRIDGE ACROSS RIO GRANDE AT RIO GRANDE CITY, TEX.

Mr. WEST. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6630) to extend the times for commencing and completing the construction of a bridge across the Rio Grande at or near Rio Grande City, Tex.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Rio Grande, at or near Rio Grande City, Tex., authorized to be built by the Rio Grande City-Camargo Bridge Co., by an act of Congress approved February 15, 1929, heretofore extended by acts of Congress approved January 31, 1931, and March 2, 1933, are hereby further extended 1 and 3 years, respectively, from February 15, 1935.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE RIO GRANDE NEAR BOCA CHICA, TEX.

Mr. WEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7291) to extend the times for commencing and completing the construction of a bridge across the Rio Grande at or near Boca Chica, Tex.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Rio Grande, at or near Boca Chica, Tex., authorized to be built by the Boca Chica Bridge Co. by an act of Congress approved June 10, 1932, heretofore extended by acts of Congress approved March 1, 1933, and June 19, 1934, are hereby further extended 2 and 4 years, respectively, from June 19, 1935.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES CHAMBER OF COMMERCE

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JOHNSON of Texas. Mr. Speaker, I have asked this time for the purpose of reading a resolution adopted by the board of directors of the Corsicana (Tex.) Chamber of Commerce, adopted on May 14, 1935:

Resolved by the board of directors of the Corsicana (Tex.) Chamber of Commerce, That the resolutions criticizing the national administration passed by the United States Chamber of Commerce at its recent Washington meeting does not reflect the views of this

organization and, it is not believed, those of the vast body of citizens composing its local units throughout the country.

We condemn as unwarranted this assumption to speak for and to commit absent members and organizations to this wholesale attack without first submitting such items to a general referendum, as provided by the constitution and bylaws.

We know of no surer way to disrupt the national organization and lose to it the membership of the smaller groups than to repeat the performance recently enacted. When it ceases to reflect the views of the average man and the average community and, in fact, speaks only for the concentrated few who seem to control it, it ought to, and we believe will, lose the sympathy, support, and influence of those who have no ax to grind, but who look only to the spiritual and economic welfare of the country at large.

C. L. JESTER,
C. C. ROBERTS,
LOWRY MARTIN,
Resolutions Committee.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I would like to ask the majority leader what is to be the program for tomorrow and Friday.

Mr. TAYLOR of Colorado. The first bill on the program tomorrow is an amendment to the measure known as "the Taylor Grazing Act." I think this will only take a little while. It will be brought up under a rule. After this, frankly, I do not know that the program has been determined.

Mr. SNELL. There is nothing else on the program now.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that it shall be in order tomorrow and Friday to call the Private Calendar under the rule, preference to be given to omnibus bills.

Under the rule, on Tuesday of this week this would have been the order of business, but this was set aside on account of the memorial exercises.

Mr. SNELL. I understand the gentleman wants to take up the Private Calendar under the new rule.

Mr. BLANTON. Mr. Speaker, I hope the gentleman will not ask that, because there are Members here who are doing hard work on these bills and they are not expecting such a request. They have made up their program for the week, and I do not think this would be fair.

Mr. O'CONNOR. What is their program for Friday, if we do not do this?

Mr. BLANTON. The gentleman from New York has his program for Monday, Tuesday, Wednesday, Thursday, and Friday, and so have other Members. They may have other plans for Thursday and Friday.

Mr. O'CONNOR. It has been talked for several days that when the Private Calendar was lost on Tuesday on account of memorial exercises, they would be given an opportunity at the very earliest possible moment. Friday is an opportunity to give it to them. If they do not get a chance on Friday, it will be 1 month before they get another chance.

Mr. BLANTON. Whenever the Members know of any agreement that the leaders make, I have never known of a case where they did not follow such agreement, but the Members have not had any understanding about this matter coming up.

Mr. O'CONNOR. It has been talked generally. If the gentleman does not know about it, he is one of the very few who does not know of it.

Mr. BLANTON. We found out too late once during consideration of the Patman bill about an agreement among a few Members, and as soon as we found it out we went along with it and helped them out on their agreement; but there are Members here who watch these bills and they do not know about the possibility of this calendar coming up Thursday or Friday, and I am constrained, Mr. Speaker, to object.

Mr. O'CONNOR. Let me ask the gentleman a question. Is the gentleman opposed to the Private Calendar coming up on Friday in any manner?

Mr. BLANTON. I would not object to its coming up under the old rules of the House, but there is no way to stop bad bills under this new rule except by concerted action of certain men who have studied them and who are prepared to stop them.

Mr. O'CONNOR. Concerted action of two, if the gentleman wants to call that concerted action.

Mr. BLANTON. It is the concerted action of Members who study these bills, and are prepared to stop unmeritorious bills.

Mr. O'CONNOR. There are only two, and the House usually knows who those two are going to be.

Mr. BLANTON. There are more than two here watching the Federal Treasury, I will state to the gentleman. There is a bunch of us here, and they are getting so they are watching it with effectiveness, and whenever a bad bill comes up they are prepared to stop it.

Mr. O'CONNOR. Well, they watched it today, all right.

Mr. SNELL. Not a very large group.

Mr. BLANTON. They watched it today, 322 Members voting as I did to 98 against.

Mr. O'CONNOR. To the tune of \$2,200,000,000.

Mr. BLANTON. In the interest of World War veterans who in France carried our flag to victory and saved the civilization of the world.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. BLANTON. I object, Mr. Speaker.

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

Mr. KENNEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KENNEY. My parliamentary inquiry is whether the Ways and Means Committee has made any request for permission to sit during the sessions of the House in order to hold hearings on the bill I have introduced for a national lottery?

The SPEAKER. The Chair has no information on the subject. [Laughter.]

BRIDGE ACROSS RAINY RIVER, MINN.

Mr. BUCKLER of Minnesota. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 6834, to revive and reenact the act entitled "An act authorizing Vernon W. O'Connor, of St. Paul, Minn., his heirs, legal representatives, and assigns to construct, maintain, and operate a bridge across the Rainy River at or near Baudette, Minn."

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act approved March 8, 1932, authorizing Vernon W. O'Connor, his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge across the Rainy River, at or near Baudette, Minn., be, and the same is hereby, revived and reenacted: *Provided,* That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 1 year and completed within 3 years from the date of approval hereof.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE PRESIDENT'S WORK-RELIEF PROGRAM

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include three radio addresses delivered by the Secretary of the Interior Hon. Harold L. Ickes, Hon. Harry L. Hopkins, and Hon. Frank B. Walker, concerning the procedure under which they expect to handle the \$4,000,000,000 Public Works relief funds.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. MARCANTONIO. Reserving the right to object, and I shall not object, do they explain how workmen are going to live on \$12 to \$94 monthly wages?

Mr. TAYLOR of Colorado. They give in detail the procedure by which they expect to handle that fund, and I am sure it will be very helpful and instructive information for the Members of the House and Senate, as well as the public generally.

Mr. MARTIN of Colorado. Reserving the right to object, and I shall not object and my colleague from Colorado knows why I shall not object.

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Speaker, under permission to extend my remarks in the RECORD, I include herewith the three addresses broadcast over the Columbia and National Broadcasting networks at Washington, D. C., on May 16, 1935, by Hon. Frank C. Walker, Executive Director of the National Emergency Council; the Secretary of the Interior, Hon. Harold L. Ickes, Chairman of the Advisory Committee on Allotments; and Hon. Harry L. Hopkins, Works Program Director, explaining the procedure and the coordination of the work allotted to each of them in the administration of the \$4,000,000,000 public-relief appropriation recently authorized by Congress.

These addresses set forth very clearly and definitely the respective authority and duties of each of those officials and the methods of administering the work that is designated to those three departments, and gives a vast amount of instructive information.

My reason for asking to have these addresses inserted in the RECORD is to as far as possible avoid confusion and be helpful to the public in general, and more particularly to the Members of Congress, who every day are confronted with a great many questions in relation to the apportionment of these funds and the necessary course for applicants to take in relation thereto. I am sure the addresses will be of great importance for those purposes.

The addresses in the order in which they were delivered are as follows:

REMARKS OF FRANK C. WALKER, EXECUTIVE DIRECTOR OF THE NATIONAL EMERGENCY COUNCIL.

The President's works program is discussed before you this evening with the hope that its objectives and procedure may be so clarified that there will be a minimum of time elapse before the millions in this country on direct relief will be engaged in useful employment.

This is one program. It has one objective. It must take 3,500,000 persons from their dole-receiving status of today and place them at work upon publicly useful projects.

A new conception of a public-works program is necessary. In the past, public works have meant long-time constructions of buildings, of dams, canalizations, bridges, and highways. The prime elements of consideration have been utility, engineering, soundness, and legal authority. Now comes an added consideration, viz, the undertaking of projects on the simple basis that they will provide employment at places easily accessible to the millions now obliged to exist on outright grants of relief.

A new yardstick must be applied to all works projects. This new yardstick must conform to the principles enunciated by the President in his discussion of this works program.

In the first instance, these projects must be useful. The President does not intend to provide allotments of funds for undertakings from which there is not apparently a very definite public benefit.

In the next instance, the projects must be of a nature which will produce the maximum of employment for the money spent. In tackling the colossal task of reemploying 3,500,000 persons with the expenditure of approximately \$4,000,000,000, emphasis must be given to those undertakings which will spend a large portion of their allotment for labor.

The projects must, as far as possible, represent undertakings capable of liquidating themselves and returning to the Treasury as large as possible a percentage of the outlay.

Because of the immediate pressure for liquidating direct relief rolls, funds allotted under the act must be promptly spent and not permitted to stagnate over a period of years.

It is also necessary that projects be selected with the extremely primary objective of getting people off the relief rolls. In other words, the type and character of the projects must be such that it will provide for the type and character of persons now receiving direct relief.

Accessibility of the projects to the centers of unemployment must be considered an important factor. Nothing can be gained for the broad objective in starting projects so far removed from the actual areas of distress that family removals and general migration at high cost would be necessary. To tackle the problems speedily and effectively, it is essential that sound projects be selected as near as possible to the locations of the extreme relief loads.

The President has divided the responsibility for carrying out these principles and has placed it upon three definite agencies:

1. The Division of Applications and Information of the National Emergency Council, which will be directed by your speaker.
2. The Advisory Committee on Allotments, which is headed by the Secretary of the Interior, Harold L. Ickes.

3. The Works Progress Administration, under the supervision of Mr. Harry L. Hopkins.

May I give you a brief outline of the functions and the objective of the Application Division and its relationship to the President's works program? Mr. Ickes and Mr. Hopkins will explain in detail the very important parts which their organizations will play in attaining the general objective.

A basic principle of this program has been that there should be no unusual increase in Government agencies, as few as possible new administrations, and no unusual additions to the Federal pay roll. In other words, the President intends that existing governmental agencies shall do the work. Some 60 of them are now ready to undertake their shares. The three major divisions which have been mentioned are designed to coordinate their efforts and, to consolidate their accomplishments and to establish a single policy—that of substituting useful employment for direct relief.

The office of this Division has been developed solely on the principle that it should use existing agencies. No new duplications of governmental machinery will be permitted.

The speed with which this program must be put into action of necessity means that there must be decentralization and that most of the examination must be done in the field offices. Congestion or anything approaching a bottleneck must be avoided. For that reason it is intended that examinations will be carried out as far as possible in the States.

To this end both the Public Works Administration and the Works Progress Administration will examine applications in the field. The part of the State directors for the National Emergency Council will be to assist these two agencies within the States in coordinating their two programs and in assisting all applicants for projects to get their proposals into the proper channels and into the stage of real action. To this end the State directors for N. E. C. will operate general clearing houses of information on all project proposals. They will be open at all times to assist States, municipalities, other political subdivisions, and private individuals in getting their work relief ideas into acceptable form and into the hands of the officials who can appropriately consider them.

All Federal projects originate in the departments or agencies themselves.

Non-Federal projects are handled in a different way. The original application for the project is made to the State director of the Public Works Administration. The actual allotment applications will be prepared by the P. W. A. from such project applications, recommendations, and suggestions submitted to its State directors by individuals, States, counties, cities, and other Governmental agencies. These proposals will be coordinated as to relief needs locally.

After the State director of P. W. A. transmits a project proposal to his Washington headquarters, that agency will immediately obtain comments from all governmental agencies having partial or technical jurisdiction over such undertakings, or which might have at their command special knowledge concerning them.

P. W. A. will then prepare the allotment application and transmit it to the Division of Applications and Information, which will cause it to be examined and reviewed. The allotment application also will be referred to the Works Progress Administration for report as to its effect in lifting the unemployment relief load.

After scrutiny by the Works Progress Administration, applications will be returned to this Division. They are now assuming final shape. The next step is transmittal to the Advisory Committee on Allotments which recommends approval or disapproval of the applications to the President.

The work-relief projects, as set forth by the President in his Executive order, will be handled through a different channel. They are projects designed to insure a maximum of employment and will be proposed and carried out through the Works Project Administration.

Proposals for such projects will be received by the State and local administrators of the Works Progress Administration. They will be carefully examined and coordinated with the pending project proposals in the hands of the P. W. A. State director.

They will then be sent to Washington for final review, and if found eligible under the fundamental principles of the statutory requirements of the Emergency Relief Appropriation Act of 1935, the Works Progress Administration will prepare allotment applications and transmit them to this Division, which, in turn, will transmit them to the Advisory Committee on Allotments.

The information service which has been set up in connection with this Division will be at your service. Experts, specialists, technicians in sixty-odd Government agencies, including executive departments, will, as necessity arises, review and study these allotment applications. A study and comparison of the usefulness of all plans submitted will be made by the Division, and plans will be singled out for special consideration in the proportion that they promise relief within an accessible geographical area.

This Division is seeking to overlook no opportunity to use effective cooperation between the agencies and divisions in speeding up the program. Within our own office are works advisers from the Works Progress Administration, from the Public Works Administration, and from the principal agencies engaged in carrying out the program. In addition, this Division has works advisers in all of the other agencies engaged in carrying out the program who will be available for expert advice and assistance in clearing up difficulties which may arise in the consideration of any project. These, with the information service, are planned as the channels which will truly facilitate this tremendous social and economic readjustment.

It is the duty of each governmental agency involved to see to it that the allotment and expenditure of this huge sum shall be so controlled that its fullest use and benefit shall go to the regions, the communities, and the purposes for which it is appropriated. Every last effort within our power will be given to provide swift, simplified, businesslike direction, because this is a business job, to be executed intelligently by sane and orderly methods.

When the President some time since discussed with you the works program, he said:

"Feel free to criticize. Tell me of instances where work can be done better or where improper practices prevail. Neither you nor I want criticism conceived in a purely faultfinding or partisan spirit, but I am jealous of the right of every citizen to call to the attention of his Government examples of how the public money can be more effectively spent for the benefit of the American people."

May we suggest that you follow the President's advice literally and transmit your thought and suggestions to the existing agencies to the end that the work may be done honestly and efficiently and may accomplish the greatest good.

REMARKS BY HON. HAROLD L. ICKES, SECRETARY OF THE INTERIOR AND PUBLIC-WORKS ADMINISTRATOR

Mr. Frank C. Walker, appointed head of the Division of Applications and Information under the new works-relief program, has just told you the part that his division will play in what is expected to be the final drive to rout the depression that this administration inherited from its predecessor. In my judgment, the President could not have chosen a better qualified man than Mr. Walker for this important post. He has sound judgment, a broad and varied experience, and ability to inspire confidence.

Following me, Mr. Harry L. Hopkins will tell you of the plans that he has formulated for driving forward that part of the program that the President has entrusted to him as head of the Works Progress Administration. Mr. Hopkins has already done an outstanding piece of work as F. E. R. A. administrator, and as C. W. A. administrator. He has energy, drive, and imagination, and the will to achieve his object regardless of whatever difficulties may lie in the way.

Under orders from the President, I am serving as chairman of the Advisory Committee on Allotments of 21 members, the third of the major divisions set up by the President to carry out the objects and purposes of the works-relief program.

It is the duty of the Advisory Committee on Allotments to pass upon all applications for funds and then recommend action to the President, who will have the final determination whether or not any project is to be granted money out of the \$4,000,000,000 appropriated by the Congress. The procedure will be something like this:

Technically applications will be received by Mr. Walker's Division of Applications and Information. He may delegate authority to other agencies to receive applications as the representatives of his division. He has already indicated that applications originating in the various States may be received by the respective directors of P. W. A. They will then be examined by the P. W. A. State division and forwarded to Washington. This is in the interest of saving time, which is one of the primary considerations of the works-relief organization.

Whether or not applications are received directly or through another agency, they will be promptly forwarded for examination to that agency within whose jurisdiction the particular project naturally would fall. For instance, a P. W. A. project would be forwarded to P. W. A. for examination, and a works-relief project would be forwarded to Mr. Hopkins' division. After examination, the project will be sent on to Mr. Walker with a recommendation for approval or for disapproval, and subject, to his review, it will be ready to be forwarded to the Advisory Committee on Allotments, which in its turn will pass upon the project. If the action of the Advisory Committee on Allotments is favorable, it will go to the President for final action.

If the President says "go ahead", then the project will be sent to that particular agency which will be charged with responsibility either for building or for supervising the building of the project. For instance, if it is a matter that comes within the purview of the Army engineers, the project will be sent there. If it is a reclamation project, it will go to the Bureau of Reclamation in the Interior Department. If it is a road project, it will go to the Bureau of Roads of the Department of Agriculture.

The new program will be based strictly upon the need for work in the various sections of the country. Mr. Hopkins will determine what that need is and will see to it that the work is kept moving. The purpose Congress had in making this huge appropriation of \$4,000,000,000 was to provide money to take as many men as possible off of relief rolls. We are, therefore, charged with the responsibility of allocating this money for projects in those sections of the country where there are men and women ready and able to work but who have no work. So far as may be, the greatest number of projects are to be gotten under way in or near the centers of greatest unemployment. If we can, we want to take the work to those who need it. Obviously it would be both difficult and expensive to set up a project in a section of the country where there are comparatively few unemployed and then move men to that site from distant centers of unemployment.

In our new program, just as with the one which is now drawing to a close, there will be no place for political logrolling. No part of this huge sum of the people's money will go into a pork barrel.

Our object is to get men off of relief rolls, regardless of politics or local considerations. There never has been an inside track to Public Works money, and there will be no back-door entrance to work-relief allotments and projects. The sooner that all communities accept this proposition in full faith the better it will be for the general welfare and the quicker the idle will move from relief rolls onto pay rolls.

As with the P. W. A. program, certain standards have been set. Among the principles laid down by the President we find the following:

- (1) The projects must be useful.
- (2) The projects must be of such a nature that a large proportion of the money spent will go into wages for direct labor at the site.
- (3) Projects promising an ultimate return to the Federal Treasury of a considerable share of the cost will be given preference.
- (4) Funds provided for each project must be promptly put to work, since it is the purpose, so far as possible, to complete all projects by July 1, 1936.

I think the country is glad to know that P. W. A. is to be continued as an agency of the Federal Government. P. W. A. has more than justified itself. Thanks to the P. W. A. program, there has been actual construction work in 3,049 of the 3,073 counties of the United States. These projects have a high social value. They have been undertaken and built in the confident expectation that they will prove to be real assets of the various communities for many years to come. P. W. A. will continue to offer its services to those communities that want to avail themselves of those services. We will be glad to cooperate with you in building such useful and socially desirable public works as sewage systems, waterworks, schools, power plants, bridges, public buildings, etc.

In order to facilitate the P. W. A. program I have set about to decentralize the P. W. A. organization. This will have the twofold beneficial effect of clearing the applications faster and of bringing P. W. A. into closer contact with the local communities. In each State there will be set up a miniature of the general P. W. A. administration at Washington. A State P. W. A. director will be in charge, and associated with him will be an engineering, a legal, and a finance staff, varying in size, but adequate to carry out expeditiously the work that will be entrusted to it. We are able to do this at this time because we now have experienced men in these various divisions in Washington who are qualified to go into the States and move the program at an accelerated pace.

P. W. A. projects should be submitted promptly to the P. W. A. director in each State. Instead of forwarding the applications to Washington for approval they will be examined on the ground. This will make for much greater speed. Since the local staff will be in close touch with the various communities it will be able to get whatever information it may need. The applications will then be sent on to Washington where, after a brief review by the P. W. A. general staff, they will follow the procedure that has already been outlined.

As has been said, preference will be given to the projects the cost of which will be shared between the Federal and the local governments. It is our ambition to help to finance as many such projects as possible. We will want to continue the fine record of P. W. A. throughout the country. Over 17,000 P. W. A. projects, either completed or under construction, now dot the map of the United States. They gave direct work on actual construction to millions of men and indirect work to additional millions who produced and fabricated and moved the materials used at the sites.

See to it that your local projects are of a quality and usefulness of which you will be proud. See to it that they are a type to acquire which you would willingly pay local taxes. Remember that Federal money is your money just the same as if it came from your local school, sewer, water, city, or county tax assessments. Your community has resources and in honor and patriotism must bear its share of the burden. The Federal Government stands ready to aid, but it expects every community to do its bit.

ADDRESS OF HARRY L. HOPKINS, WORKS-PROGRESS ADMINISTRATOR

The President, in his recent radio address on work relief, definitely declared that the primary objective of the new Work Relief Act is to put to work three and a half million people now on relief rolls throughout the country on the basis of a national, useful work program.

The activities of the Works Progress Administration, one of the agencies established by the President, are completely directed toward the accomplishment of such primary objective. The Works Progress Administration has been specifically designated by the President to be responsible to him for the honest, efficient, speedy, and coordinated execution of the work-relief program as a whole, and for the execution of that program, in such manner as to move from the relief rolls, to work on such projects, or in providing employment, the maximum number of persons in the shortest time possible.

To accomplish this end the Works Progress Administration has been given various powers and duties. Essentially they may be divided into (a) the carrying on of useful projects throughout the country, designed to assure a maximum of employment in all localities, and (b) the coordination of the various activities to be conducted by the other agencies operating under the Work Relief Act to assure the accomplishment of the end desired.

The machinery of the Works Progress Administration is now in the process of being established. It will be simple and yet based on the notion that the success of the Work Relief program depends upon speed and efficiency. To accomplish this end there will

be a decentralization of activity and responsibility, with, however, a constant supervision and check from Washington.

State works progress administrators will have the authority to set up such branch offices in the localities as are necessary and desirable. General instructions and advice as to major policies, with respect to the conduct of the activities of the State and local units, will issue currently from the Works Progress Administrator in Washington.

The State works progress administrators and their local units will be primarily responsible for the initiation and carrying through in their locality of the small and useful works-relief projects which are designed to insure a maximum of continuous employment in all localities. All applications for such projects should be filed with the local representative of the Works Progress Administration. This type of work-relief projects includes projects to be carried on as Federal projects, and also projects of States, municipalities, agencies thereof, or other public bodies for which only a grant of Federal funds is to be made.

These administrators will be available in the immediate future to plan with local public officials and citizens projects which will give useful work to the needy unemployed.

Applications for such projects, when filed with the local representative, will be forwarded to Washington, through the appropriate State works progress administrator. The applications will be made on appropriate forms which will be available at the local offices.

Allotment of funds will be made by the President for the work program to be conducted by the Works Progress Administration. Each State works progress administrator will be advised, from time to time, as to the specific work projects which have been thus approved, and for which allotments of funds have been made.

The Works Progress Administration, in connection with its functions, will have the task of prescribing the necessary rules:

- (a) To assure that as many of the persons employed on all work projects as is feasible shall be persons receiving relief;
- (b) To govern the selection of such persons for employment on work projects; and
- (c) To assure a coordinated work-relief program which will actually employ the three and a half million employable persons now on relief.

The eligibility of works projects, whether under the supervision of the Works Progress Administration or of any other agency, will be determined by the criteria established in such rules.

The responsibility for coordinating the activities of the various agencies will make it necessary for the Works Progress Administration, through its State and local representatives, to check each proposed project, to ascertain the relationship between the cost involved, the number of persons to be employed on the project, and the number of such workers on relief rolls available in the areas where such project will be undertaken. Such initial check will not be all, because even after a project is approved it will be the function of the Works Progress Administration, again through its State and local representatives, to furnish the necessary number of persons from the relief rolls required on the project, and also to constantly check as to whether this number is being maintained in employment on such project.

Coordinating the activities of the various agencies involves several other tasks. For instance, the Works Progress Administration will require uniform, periodical reports of progress on all work projects. Where delay appears the Works Progress Administration may recommend to the President appropriate measures for eliminating such delay, and also possibly recommend the termination of projects where it develops that they are not affording the amount of employment warranting their continuance. Further, because of the utmost importance that the work-relief program be carried through without any tinge of dishonesty or fraud, the Works Progress Administration has been directed to establish and operate a division of progress investigation, and to coordinate the pertinent work of existing investigative agencies of the Government.

The Works Progress Administration has also been designated as an agency to provide for the coordination of such data-compiling projects as form a part of the work-relief program, and of such portion of other research activities as may be necessary or useful in carrying out such program.

Under the Work Relief Act the President is authorized to prescribe the working conditions and the rates of pay to be paid to workers employed on the work projects. The Works Progress Administration has been directed by the President to investigate wages and working conditions in order to submit to the President such findings as will aid the President in fulfilling such function.

At the risk of repetition, it should be finally stated that all of the activities of the Works Progress Administration and of every other agency operating under the Work Relief Act will definitely be directed toward carrying out the primary objective of the President to give employment on a national work program to three and a half million persons now on relief rolls who are anxious and desirous and capable of performing useful work.

This program represents a great Nation's obligation to the unemployed. Its operations will be extended to every city and town in America.

The work will be done promptly, efficiently. It will be carried out not only in the best interests of the unemployed but as a great national endeavor, the results of which will be of benefit to the Nation and all of its citizens.

COMMITTEE ON PATENTS

Mr. SIROVICH. Mr. Speaker, the gentleman from New York [Mr. MILLARD] has withdrawn his objection to the consideration of House Resolution 196. I ask unanimous consent for its present consideration, and I ask unanimous consent that the preamble may be stricken out.

The SPEAKER. Without objection, the resolution will be considered and the preamble stricken out.

There was no objection.

The resolution was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. OLIVER (at the request of Mr. HILL of Alabama), on account of illness.

To Mr. O'MALLEY, for Friday, May 24, on account of business.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 157. An act to amend section 5296 of the Revised Statutes of the United States;

H. R. 972. An act for the relief of John Costigan;

H. R. 1846. An act for the relief of Daniel W. Seal;

H. R. 2192. An act for the relief of Harry B. Walmsley;

H. R. 2294. An act for the relief of Thaddeus C. Knight;

H. R. 3721. An act for the relief of Angelo J. Gillotti;

H. R. 3975. An act to provide for the establishment of a Coast Guard station on the coast of Georgia at or near Sea Island Beach;

H. R. 4005. An act to amend section 21 of the Interstate Commerce Act, as amended, with respect to the time of making the annual report of the Interstate Commerce Commission;

H. R. 4239. An act authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.;

H. R. 5444. An act to authorize the Department of Commerce to make special statistical studies upon payment of the cost thereof, and for other purposes;

H. R. 5707. An act to ratify and confirm the corporate existence of the city of Nome, Alaska, and to authorize it to undertake certain municipal public works, including the construction, reconstruction, enlargement, extension, and improvement of its sewers and drains, fire-fighting system, streets and alleys, sidewalks, curbs, and gutters, and a municipal building, and for such purposes to issue bonds in any sum not exceeding \$100,000;

H. R. 6021. An act to provide additional home-mortgage relief, to amend the Federal Home Loan Bank Act, the Home Owners' Loan Act of 1933, and the National Housing Act, and for other purposes;

H. R. 6654. An act to increase the White House Police Force, and for other purposes; and

H. J. Res. 249. Joint resolution to provide for participation by the United States in the Eighth International Congress of Military Medicine and Pharmacy to be held at Brussels, Belgium, in June 1935.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 82. An act to authorize the disposal of surplus personal property, including buildings, of the emergency conservation work;

S. 1222. An act to further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.;

S. 1342. An act to revive and reenact the act entitled "An act granting the consent of Congress to Board of County Commissioners of Itasca County, Minn., to construct, maintain, and operate a free highway bridge across the Mississippi River at or near the road between the villages of Cohasset and Deer River, Minn.";

S. 1680. An act to include within the Deschutes National Forest, in the State of Oregon, certain public lands within the exchange boundaries thereof; and

S. 1987. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Farnam Street, Omaha, Nebr.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 40 minutes p. m.) the House adjourned until tomorrow, Thursday, May 23, 1935, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

(Thursday, May 23, 10 a. m.)

Committee will hold hearings on bill (H. R. 5368) pertaining to national monuments.

COMMITTEE ON THE DISTRICT OF COLUMBIA

(Thursday, May 23, 10:30 a. m.)

Subcommittee on the Judiciary will hold hearings on bill (S. 395) pertaining to qualifications of practitioners of law, in the caucus room, 362, old House Office Building.

COMMITTEE ON THE DISTRICT OF COLUMBIA

(Thursday, May 23, 10:30 a. m.)

Subcommittee on Public Health will hold hearings on bill (H. R. 6685) relative to examination and registration of beauticians, in room 345, old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

351. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1935, to remain available until June 30, 1936, for salaries and expenses, Bureau of Agricultural Economics, Department of Agriculture, amounting to \$10,000 (H. Doc. No. 194); to the Committee on Appropriations and ordered to be printed.

352. A communication from the President of the United States, transmitting 5 supplemental estimates of appropriations for the Treasury Department, 1 for the fiscal year 1935, \$48,760, and 4 for the fiscal year 1936, \$58,213,166, amounting in all to \$58,261,926, together with a draft of a proposed provision pertaining to two existing appropriations (H. Doc. No. 195); to the Committee on Appropriations and ordered to be printed.

353. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, pertaining to the Architect of the Capitol, for the fiscal year 1935, in the sum of \$120,100 (H. Doc. No. 196); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Washington: Committee on Pensions. H. R. 6995. A bill granting pensions to veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, their widows and dependents, and for other purposes; without amendment (Rept. No. 974). Referred to the Committee of the Whole House on the state of the Union.

Mr. KOCIALKOWSKI: Committee on Insular Affairs. House Joint Resolution 290. Joint resolution to amend an act entitled "An act providing for the ratification of Joint Resolution No. 59 of the Legislature of Puerto Rico, approved by the Governor May 5, 1930, imposing an import duty on coffee imported into Puerto Rico", approved June 18, 1934; without amendment (Rept. No. 975). Referred to the Committee of the Whole House of the state of the Union.

Mr. KVALE: Committee on Military Affairs. S. 927. An act to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to give class B officers of the Army benefits of such act; without amendment (Rept. No. 976). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. House Resolution 216. Resolution to pay Malissa Worthley, mother of Vivian Worthley, 6 months' compensation and not to exceed \$250 funeral expenses; without amendment (Rept. No. 977). Referred to the House Calendar.

Mr. WARREN: Committee on Accounts. House Resolution 226. Resolution providing for the expenses of the investigation authorized by House Resolution 203; without amendment (Rept. No. 978). Referred to the House Calendar.

Mr. MAY: Committee on Military Affairs. S. 2105. An act to provide for an additional number of cadets at the United States Military Academy; with amendment (Rept. No. 982). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. GREENWAY: Committee on the Public Lands. H. R. 6703. A bill for the relief of Joanna Forsyth; with amendment (Rept. No. 979). Referred to the Committee of the Whole House.

Mr. ROBINSON of Utah: Committee on the Public Lands. S. 1446. An act for the relief of Knud O. Flakne; without amendment (Rept. No. 980). Referred to the Committee of the Whole House.

Mr. ROBINSON of Utah: Committee on the Public Lands. S. 1447. An act for the relief of Mary C. Moran; without amendment (Rept. No. 981). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KERR: A bill (H. R. 8163) to authorize the deportation of criminals, to guard against the separation from their families of aliens of the noncriminal classes, to provide for legalizing the residence in the United States to certain classes of aliens, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. ALLEN: A bill (H. R. 8164) granting the consent of Congress to the city of Dixon, Lee County, Ill., to construct, maintain, and operate a free highway bridge across the Rock River at or near Dixon, Ill.; to the Committee on Interstate and Foreign Commerce.

By Mr. BOILEAU: A bill (H. R. 8165) to refer the claim of the Menominee Tribe of Indians to the Court of Claims with the absolute right of appeal to the Supreme Court of the United States; to the Committee on Indian Affairs.

By Mr. DOUGHTON: A bill (H. R. 8166) to extend the time for filing claims under the Settlement of War Claims Act of 1928, and for other purposes; to the Committee on Ways and Means.

By Mr. IGLESIAS: A bill (H. R. 8167) to authorize the Secretary of War to transfer to the government of Puerto Rico a certain building and lot; to the Committee on Military Affairs.

By Mr. MONAGHAN: A bill (H. R. 8168) providing the number of judges which shall concur in holding an act of Congress unconstitutional; to the Committee on the Judiciary.

Also, a bill (H. R. 8169) to authorize the erection of additional facilities to the existing Veterans' Administration facility, Fort Harrison, Mont.; to the Committee on World War Veterans' Legislation.

By Mr. SUMNERS of Texas: A bill (H. R. 8170) to authorize the acquisition of land on McNeil Island; to the Committee on the Judiciary.

By Mr. DEEN: A bill (H. R. 8171) providing for the publication of statistics relating to spirits of turpentine and rosin; to the Committee on Agriculture.

By Mrs. GREENWAY: A bill (H. R. 8172) to authorize the sale by the United States to the county of Mohave, Ariz., of all public lands in sections 20, 28, and 30, township 20 north, range 15 west, Gila and Salt River Meridian, for park, recreational, and other municipal purposes; to the Committee on the Public Lands.

By Mr. SCRUGHAM: A bill (H. R. 8173) creating the National Farm Credit Bank System; to the Committee on Agriculture.

By Mr. CONNERY: Resolution (H. Res. 227) providing for the consideration of S. 1958, a bill to promote equality of bargaining power between employers and employees, to diminish the causes of labor disputes, to create a National Labor Relations Board, and for other purposes; to the Committee on Rules.

By Mr. HARTLEY: Joint resolution (H. J. Res. 299) to provide for the leasing of the Port Newark Army Supply Base, N. J., owned by the Government and under the control of the United States Department of War to the city of Newark, N. J., or to private individuals or corporations; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FISH: A bill (H. R. 8174) granting an increase of pension to Ruth Ann Smith; to the Committee on Invalid Pensions.

By Mr. GRAY of Indiana: A bill (H. R. 8175) granting a pension to Everett P. Collins; to the Committee on Invalid Pensions.

By Mrs. GREENWAY: A bill (H. R. 8176) for the relief of Joanna Forsyth; to the Committee on the Public Lands.

By Mr. HARLAN: A bill (H. R. 8177) granting a pension to Joseph W. Hawthorn; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8563. By Mr. ANDREW of Massachusetts: Resolution adopted by Cape Ann Chapter 896, Women of the Moose, Gloucester, Mass., urging relief for the cotton-textile industry from the critical situation caused by importations from Japan and the cotton-processing tax; to the Committee on Ways and Means.

8564. By Mr. BELL: Petition of employees of the Southwestern Bell Telephone Co., Kansas City, Mo., protesting against enactment of Wagner labor-disputes bill; to the Committee on Labor.

8565. By Mr. BOYLAN: Letter from the National Organization Masters, Mates, and Pilots of America, New York City, N. Y., favoring the passage of House Joint Resolution 219; to the Committee on Interstate and Foreign Commerce.

8566. Also, petition signed by citizens of the State of New York, protesting against conditions in Mexico; to the Committee on Foreign Affairs.

8567. Also, petition of District Lodge No. 3, Sons of Norway, New York City, N. Y., requesting support of House Joint Resolution 122; to the Committee on the Judiciary.

8568. Also, letter from the Allied Printing Trades Council of Greater New York, unanimously endorsing the Wagner-Connery labor-disputes bill; to the Committee on Labor.

8569. By Mr. GOODWIN: Petition of Bloomingburg Grange, No. 1197, Bloomingburg, N. Y., opposing the Eastman bill; to the Committee on Interstate and Foreign Commerce.

8570. By Mr. HEALEY: Resolution of the board of directors of Consolidated Dairies, Inc., favoring the continuance of the Agricultural Adjustment Act and the passage of the

amendments to that act now pending in Congress as House bill 7088 in order that the purchasing power of the dairy farmer may be sustained and protected; to the Committee on Agriculture.

8571. By Mr. KEE: Petition of Adrian Broyles and other citizens of Monroe County, W. Va., urging the Congress of the United States of America to eliminate the taxation of gasoline by the Federal Government; to the Committee on Ways and Means.

8572. Also, petition of A. A. Browning and other citizens of Wyoming County, W. Va., urging the Congress of the United States of America to eliminate the taxation of gasoline by the Federal Government; to the Committee on Ways and Means.

8573. Also, petition of A. H. McClaugherty and other citizens of Princeton, Mercer County, W. Va., urging the Congress of the United States of America to eliminate the taxation of gasoline by the Federal Government; to the Committee on Ways and Means.

8574. By Mr. KENNEY: Petition of the Board of Commissioners of the Town of Montclair, N. J., endorsing the suggestion of Mayor Meyer C. Ellenstein, of Newark, N. J., made to the President of the United States, that a congressional committee with authority to employ engineers and aeronautic experts of national reputation be appointed for a survey and study of the entire Newark airport situation to the end that the question may be settled for all time to the best interests of the American people at large; to the Committee on Interstate and Foreign Commerce.

8575. By Mr. MAPES: Petition of 24 citizens of Ottawa County, Mich., recommending the passage of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

8576. By Mr. MERRITT of New York: Petition of the Brotherhood of Railway and Steamship Clerks, Utica, N. Y., protesting against the decision of the Supreme Court in decision rendered Monday, May 6, to the effect that the railroad pension law was unconstitutional, and so forth, and urging Congress to frame, write, and present such suitable amendment to the Constitution that will permit them to make such laws as are necessary for the general welfare of the country; to the Committee on Ways and Means.

8577. Also, petition of Richard Meagher, of 6902 Ridge Boulevard, and sundry other residents of Brooklyn, N. Y., expressing disapproval of the passage of the Wagner labor-disputes bill and urging Congress to defeat same; to the Committee on Labor.

8578. By Mr. PFEIFER: Petition of District Lodge No. 3, Sons of Norway, Bronx, N. Y., urging support of House Joint Resolution 122, requesting Leif Erickson Day on October 9 to be made a national holiday; to the Committee on the Judiciary.

8579. By Mr. REED of Illinois: Resolution adopted by Chicago Division No. 1, Order of Benefit Association of Railway Employees, requesting the extension for 1 year of the Emergency Transportation Act of 1933, as embodied and contained in House Joint Resolution 219; to the Committee on Interstate and Foreign Commerce.

8580. By Mr. RUDD: Petition of the American Federation of Labor, concerning the Wagner-Connery labor-disputes bill; to the Committee on Labor.

8581. Also, petition of the Allied Printing Trades Council of Greater New York, concerning the Wagner-Connery labor-disputes bill; to the Committee on Labor.

8582. Also, petition of Joseph A. Wynn Post, No. 260, Veterans of Foreign Wars, Brooklyn, N. Y., favoring the Jenckes bill (H. R. 5541), for the display of the American flag on all buildings of the Government of the United States and the government of the District of Columbia; to the Committee on the Judiciary.

8583. By Mr. SHANLEY: Petition of W. P. Davis, general manager New England Milk Producers' Association, 51 Cornhill, Boston, Mass.; to the Committee on Agriculture.

8584. Also, petition of John F. Robinson, president the Young Democratic Clubs of Connecticut, Waterbury, Conn.; to the Committee on Foreign Affairs.

8585. By Mr. TINKHAM: Resolutions passed by the General Court of Massachusetts, memorializing Congress in favor of additional appropriations of money for use by the Home Owners' Loan Corporation in continuing its activities; to the Committee on Banking and Currency.

8586. Also, resolutions of General Court of Massachusetts, memorializing Congress for the enactment of Federal legislation to substitute another tax for the discriminatory tax on cigarettes selling at a low price; to the Committee on Ways and Means.

8587. By Mr. TREADWAY: Resolutions adopted by the General Court of Massachusetts, urging a reduction in the tax on low-priced cigarettes; to the Committee on Ways and Means.

8588. Also, resolution adopted by the General Court of Massachusetts, urging additional appropriations for the Home Owners' Loan Corporation; to the Committee on Appropriations.

8589. By the SPEAKER: Petition of the city of Cleveland, Ohio; to the Committee on the Judiciary.

SENATE

THURSDAY, MAY 23, 1935

(Legislative day of Monday, May 13, 1935)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 22, 1935, was dispensed with, and the Journal was approved.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES—VETO MESSAGE

The VICE PRESIDENT. Under the unanimous-consent agreement entered into yesterday, the Chair lays before the Senate for reconsideration House bill 3896, being the so-called "Patman bonus bill"; and the question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Coolidge	King	Reynolds
Ashurst	Copeland	La Follette	Robinson
Austin	Costigan	Lewis	Russell
Bachman	Couzens	Logan	Schall
Bailey	Davis	Loneragan	Schwellenbach
Bankhead	Dickinson	Long	Sheppard
Barbour	Dieterich	McAdoo	Shipstead
Barkley	Donahey	McCarran	Smith
Bilbo	Duffy	McGill	Steiwer
Black	Fletcher	McKellar	Thomas, Okla.
Bone	Frazier	Maloney	Thomas, Utah
Borah	George	Metcalf	Townsend
Brown	Gerry	Minton	Trammell
Bulkley	Gibson	Moore	Truman
Bulow	Glass	Murphy	Tydings
Burke	Gore	Murray	Vandenberg
Byrd	Guffey	Neely	Van Nuys
Byrnes	Hale	Norris	Wagner
Capper	Harrison	Nye	Walsh
Caraway	Hastings	O'Mahoney	Wheeler
Carey	Hatch	Overton	White
Chavez	Hayden	Pittman	
Clark	Johnson	Pope	
Connally	Keyes	Radcliffe	

Mr. AUSTIN. I announce the necessary absence of the Senator from Oregon [Mr. McNARY], who is detained from the Senate on official business.

I also announce that the Senator from South Dakota [Mr. NORBECK] is necessarily detained from the Senate.

The VICE PRESIDENT. Ninety-three Senators have answered to their names. A quorum is present.

The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. THOMAS of Oklahoma. Mr. President, there is now pending before the Senate the question of the reconsideration of the bill known as the "Patman bonus bill." After

consideration of this question during the past 24 hours, it appears that there is very little if anything new that may be said upon the question of the necessity or desirability of enacting the proposed legislation.

Eighteen years ago and more the Senate, in conjunction with the House of Representatives, declared war on what were known as the Central Powers of Europe. After war was declared, 4,750,000 soldiers were called to the colors. Of that number, 2,375,000 were conducted overseas, and 1,400,000 served upon the battle front. While some of these 4,750,000 soldiers volunteered in the war, the great majority were drafted into the service.

These men who were inducted into the service received the magnificent sum of \$30 per month or \$1 per day. Those who could get across received a bonus of 10 percent because of the opportunity to fight a foreign enemy on foreign soil. Men who did not have to go to war had the benefit of plenty of employment at high wages. In my section of the country the lowest wage paid for common labor was something like \$4 per day or \$100 per month.

These boys, for they were boys in those days, out of their \$30 per month were forced to contribute to an insurance fund to insure each other's lives. In addition to being forced to contribute to the insurance fund to insure their comrades' lives, these boys were forced to buy bonds, to give up part of their salary to pay the expenses of that war.

In addition to receiving the magnificent sum of \$1 per day, they received their board and keep, which cost the Government less than 50 cents per day.

When the war was over and these millions of our youth returned to the United States they saw unnumbered millionaires who had been made as a result of excessive war profits. They saw the profits made by corporations and stockholders in corporations. They saw the money that had been made by their compatriots who did not have to go to war. Then it dawned upon them that they had not received a fair compensation for the services they had rendered their Government and their country.

Because of these conditions the boys asked for an adjustment of the salaries paid to them and the salaries paid to others here at home. After years of demand upon the Government the Congress made its own adjustment and gave the soldiers the magnificent sum of \$1 per day for the time they actually served in the Army and those who were sent overseas had an additional 25 cents per day added because of such foreign service. So the dollar which they received while in the service and the dollar which they received because of this adjustment made for them a magnificent sum of \$2 to \$2.25 per day. Thus, we arrive at the total remuneration which these millions of the youth received, and are to receive, for the honor of serving in the United States Army at home and abroad in 1917 and 1918.

To get the \$2 or the \$2.25 per day as just set forth, this bill must be passed by this Senate. With this bill passed and the added money paid the veterans then their total wages or salary for fighting for our Government will be only about one-half the wages paid common labor during the war.

Mr. President, this question should be approached from a strictly business viewpoint and as a strictly practical proposition. The House on three occasions has voted the payment of the so-called "soldiers' bonus." During this Congress the House passed the bill by a vote of approximately 4 to 1. Thereafter the bill came to the Senate and the Senate passed the bill by a vote of 55 to 33. In constitutional course the bill was sent to the President. The President saw fit to veto the measure and returned the bill to the House of Representatives. The President yesterday set forth his reasons for the veto. The reasons apparently are sufficient unto the President. Apparently the President said all in opposition to the bill that could be said. On yesterday the House of Representatives reconsidered the bill in the light of the veto of the President, and upon roll call cast a vote of 322 for overriding the veto and 98 for sustaining such veto.

The bill and the veto are now before the Senate for our consideration and action.